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NORTH AFRICAN AFFAIRS

BRIEFS

MOROCCAN BEHAVIOR TOWARDS SAHARA--The Saharan issue these days is seeing new developments which may lead to the establishment of peace in the region or may lead to the grave deterioration of the situation as a result of Moroccan intransigence. Morocco is challenging the aspirations of the peoples of the region and the will of Africa, which at the Monrovia summit endorsed the right of the Saharan people to self determination. Mauritania voted for this resolution and more than once expressed at the highest levels its wish to wash its hands of the Western Sahara problem and to withdraw from the part it occupies. This practical and courageous stand by the Mauritanian side has aroused the rancor and anger of the Moroccan expansionists, and subsequent statements and threats against Mauritania began. The peak of these blatant and maddened threats were those made by the owner of the royal throne. He declared unashamedly that he would occupy that part from which Mauritania would withdraw, allegedly to protect his dignity, and it is as if his dignity has been insulted--he who sent his armies to kill the sons of the towns in the Western Sahara, and by force made them destitute. He was not satisfied with this but tried to drag Mauritania into the trap to occupy it, and to realize his old dream of setting up an empire extending from Tangier to the Senegal River.
[Excerpt] [Algiers Domestic Service in Arabic 1200 GMT 3 Aug 79 LD]

CSO: 4402

AFGHANISTAN

STUDENTS ORGAN CRITICIZES PAKISTAN'S 'ANTI-AFGHAN' ROLE

Kabul THE KABUL TIMES in English 26 Jun 79 p 4

[Text]

KABUL, June 26, (Bokhtar).— The central organ of Pashtun Students Federation carries an article on relations between Pakistan and Afghanistan whose text is as follows:

The 31 years old history of Pakistan is witness that whenever Pakistan faces an economic, political and social crisis, the ruling classes with all power and means available always used against the people try to divert the attention of the people towards the neighbouring countries. Today too when the ruling class, their religious reactionary lackeys and the exploiting classes are unable to administer and control the wishes of our people, they have been trying with all their sources of publicity and propagation to divert the mentalities to other direction.

After the victory of the Khalqi revolution in our great neighbouring country of Afghanistan, all reactionaries, feudals, the so called peers and mullahs have escaped to Pakistan and gathered around themselves in order to fulfil their

shameful goals. Their followers in Pakistan namely the so called pious people and the ruling class by creating stories and judgement of infidelity and atheism want to provoke the people against Afghanistan and by false rumours try to attract the sympathy and assistance of tribes too.

The so called fugitives are fact saboteurs against their own government and providing shelter to these rebels is in itself contrary to the spirit of good-neighbourliness and leave apart practical assistance and cooperation with them.

The claim of Pakistan that except food and shelter no other assistance has been given to these fugitives is an open lie. The conscious Pashtun and Baluchi people are witness that in addition to well organised military training a considerable amount of arm and ammunition are being provided to the fugitives and Pakistani soldiers are being kept on the Afghan borders.

We have asked the government of Pakistan what is the aim behind this dual policy. Is it not that Pakistan by violating the principle of international detente wants to start war against Afghanistan on the order of imperialism so that she is able to fight with the Khalqi forces of Pashtun and Baluchi who have developed new determination and spirit in them and also to avoid the positive effect of the revolutionary reforms of Afghanistan over our people and in this way cool down the sentiments of the people which have been roused against the ruling exploitative classes as a result of political, economic and social stagnation.

The ruling class and the reactionary religious elements and agents of imperialism on the basis of the instruction of imperialism have been trying to sabotage the revolution of Afghanistan but we have firm belief that the toiling people of Afghanistan by all kinds of sacrifices will foil such black intrigues of world imperialism. Our awakened people too along with all the peoples of the world have been strongly condemning these black intrigues of world imperialism and their lackeys.

It is worth noticing that in spite of repeated claims of the ruling class of the Pakistani government arms and ammunition are being distributed among the tribes, whether the gov-

ernment of Pakistan can claim that this has not been done on their instruction. If it is so, then where is the source of these arms and whether the Pakistani army after suppression, the people of the country has not been trying now to create new dangers for the world peace and the existence of Pakistan. This has been repeated so many times.

We ask all compatriots, students, scholars, journalists, workers, peasants, members of parliament and other toiling people that if any attack is made on the Democratic Republic of Afghanistan from our soil, will Afghanistan remain silent and will our people remain quiet and inspect this event. Then you must make proper assessment regarding their role in this stage at the present moment neither Islam is threatened nor any religious war is visible as reactionary elements want to create.

Imperialism and the classes related to it are endangered because the class war among imperialists, capitalists, feudals, usurers and religious elements on one hand and the toiling people on the other has been continuing. We ask our people so that by utilising their experiences take decisions on the issue.

Mohammad Nasir Khan
Mandokhail, Zhob Baluchistan.

PAKISTANI PRESS URGES NON-INTERFERENCE IN AFGHANISTAN AFFAIRS

Kabul THE KABUL TIMES in English 25, 26 Jun 79

[25 Jun 79, p 3]

[Text]

JUNE 24 (Bakhtar).

Nawab Mohammad Akbar Bugti one of the political leaders of Baluch in an interview with the reporter of Masawat weekly has recently said that the revolution of Afghanistan has triumphed with the power and strength of the people of Afghanistan and enjoys their full support.

He said that the great Saur Revolution is a complete internal issue of Afghanistan. If the people of Afghanistan have become happy and hopeful for their future as a result of the victory of this revolution we have been no right to oppose them. We have to pay respect to the wishes and aspirations of the people of Afghanistan.

He added that only royalists, compradores, feudals, smugglers, usurers and reactionary religious elements are not satisfied with this revolution while 95 percent of the people of Afghanistan fully support it.

JUNE 24 (Bakhtar)

The dailies Nawa-i-Waqat and Jasarat in one of their recent issues carried the remarks made by Asghar Khan the leader of Hezb-i-Tahrik Isteqlal of Pakistan on relations between Pakistan and Afghanistan.

Asghar Khan has said that Pakistan should not clash with Afghanistan and our country should not be used as a border post of another country.

He described the present attitude of the Pakistani government unfavourable and criticised the statements made by the leaders of the reactionary religious and political groups of Pakistan.

He said: Some countries including some imperialists, feel danger after the revolution of Afghanistan and want to use Pakistan as a base against Afghanistan.

JUNE 24 (Bakhtar).—

The daily Jang in one of its recent issues reports that Miraj Mohammad Khan, founder of the National Lib

eration Movement in Karachi strongly criticised the attitude of the reactionary religious groups against Afghanistan and praised the measures and actions taken by the government of Afghanistan under the leadership of esteemed Noor Mohammad Taraki, General Secretary of the Central Committee of the People's Democratic Party of Afghanistan and President of the Revolutionary Council for raising the standard of living of the people and delivering them from the yoke of exploitation.

JUNE 24 (Bakhtar).—

The daily *Masawat* of Pakistan in one of its recent issues has carried a part of the speech delivered by Massoud Kauser leader of People's Party in Sooba-i-Serhad.

He has said the declaration of the general amnesty

by the government of Afghanistan for the deserters proves this fact that a number of the deserters have been deceived by the baseless propaganda of the exploitative and reactionary circles. He said that the bands of deserters and imperialists, press have been continually carrying out propaganda and fabrications against Afghanistan.

He added: The people of Pakistan demand the government to adopt a policy about the internal issues of Afghanistan as adopted by India and other peaceloving countries.

JUNE 24 (Bakhtar).—

The daily *Mashreq* of Pakistan in one of its recent issues writes that Mir Bakhsh Bezanjo, president of the National Party in a gathering in Lahore said: Pakistan

or Islam is not facing any danger but as a result of the promotion of the level of political consciousness of the masses the interests of the exploiters, feudal lords and political leaders have been endangered. These elements are horrified lest a revolution similar to the revolution of Afghanistan is brought about in Pakistan. For this reason they have adopted an hostile attitude against the revolution of Afghanistan.

Likewise the *Jang* daily in one of its recent issues last week quoting Attullah Mengal one of the Baloch leaders wrote: The tensed relations with Afghanistan are not liked by our people.

Pakistan should not interfere in the internal affairs of Afghanistan.

[26 Jun 79, p 4]

[Text]

June 26, (Bakhtar).—
The defence of Afghanistan's regime by different progressive parties and political circles of Pakistan is continuing and at any moment we may have opportunity we will publish parts of these defences together with expression of our feelings of humanity for the information of our readers.

We start from *Masawat*.
The *Masawat* daily of Pakistan in its issue of June 21 writes:

In the tribal meeting of the free front of Lahore held under the leadership

of Arshed Riazoun said: We have ties with Afghanistan for the past centuries. But the agents of imperialism are spraying poison against the revolution of Afghanistan and attempt to deteriorate our relations with Afghanistan while the poor and oppressed people defend the revolution of Afghanistan and welcome it.

He expressed satisfaction and appreciation for the accord reached for the unity of action between national Progress Party of

tribal free front and the Kisam Mazdoor Party.

Likewise the Jang daily in its issue of June 24 about the hostile attitude of Pakistan towards Afghanistan writes:

The different political parties of Peshawar have established an association in the name of Pakistan-Afghanistan Friendship Society. Habibdl Walid known as Wazir was elected as President and Murad Khan as the vice-President, Azershair as secretary, Khan Bahadur, joint secretary and Nurul-Aleem as Press Secretary of this society.

In a meeting which was held at the office of the National Progress Party on

the occasion of the establishment of this society the members of the National Democratic Party, National Unity, and Peoples Party had also participated.

In this meeting Mohammad Ajmal Ajad and Habibul Walid Zaub, Mohammad Naween, Khan Bahadur, Azer Shair, Morad Khan and Abdul Khalil delivered speeches and after shedding light on the objectives of the Pak-Afghanistan Friendship Society denounced strongly those spray poison against Afghanistan and said that the Pakistani government did not want to carry the elections. It is afraid of elections. Therefore in order to divert attention of the people from elections it carries out propaganda against Afghanistan.

CSO: 4920

AFGHANISTAN

BBC SAID TO BE EXPLOITING RELIGION TO UNDERMINE THE DRA

Kabul THE KABUL TIMES in English 23 Jun 79 p 2

[Editorial]

[Text] Although the meaningless propaganda of the BBC and other media of mass communication of the imperialistic circles are generally covering a vast variety of different issues but in connection with the Democratic Republic of Afghanistan they are always relying on religion and religious affairs. Why is it so?

Because, the BBC guesses on the basis of history, that concentration on religion has had good consequences to the benefit of its masters, the British colonialist in the past.

That is to say, the liberal movement of Amanullah, started in 1919 and ended in 1927 in Afghanistan, has been crushed and suppressed as a result of encroachment of the British colonialist and its agents here.

The story of Colonel Lawrence, this British spy in the guise of the sacred religion of Islam, is known to all noble sons of this country now. The Lawrence by the name of Pir Karam Shah did whatever he could on the simple-minded people here and there in this part of the world to carry out his master's objectives.

A number of local Pirs namely from "Shor Bazar" of Kabul, too joined the Pir Karam Shah to fulfill the malicious cause of the British colonialism here and there in this area. They were doing nothing but fooling our simple-minded people and the people in the surrounding area so that they succeeded to bring about general uprising against the rule of Amanullah.

Therefore now too the BBC and other imperialistic media are trying through religion to repeat the same experiences.

They know that their objectives would not be met on the basis of their baseless propaganda in connection with the socioeconomic progresses secured here since the establishment of the progressive and Khalqi regime here.

The first phase of the democratic land reforms, as a result of which the feudals have been eliminated, is in the zeal of completion with all success. Therefore, whatever they want to propagate in this regard would be totally baseless and without any consequence. The people of this country are keenly watching the whole affairs in the process of our land reforms. Thus whatever propaganda are carried out by the enemies are nonsense and without any value.

The people of the DRA, throughout the country, now have fully realised that the Decree No 7, based totally on the sacred religion of Islam, brought to our people too, many unprecedented gifts. The Decree No 6 has delivered on one hand our downtrodden from the heavy burden of usurers and mortgagors, both of which are completely forbidden in Islam, on the other hand paved the way for the nice implementation of the democratic land reforms. Therefore, the BBC and other means of propaganda of the imperialistic circles and reactionary circles could not say anything in this connection as well.

Moreover, everybody sees that from the lowest rank to the highest rank in the government body, the party men and others are totally devoted to the development of the different aspects of this land.

Due to these untiring efforts of our government and party, as our great leader Noor Mohammad Taraki, General Secretary of the PDPA CC and President of the RC has repeatedly said, 98 percent of the people of this country are fully supporting their Khalqi order and the gains of their revolution.

Therefore, seeing their failure in other aspects, the BBC and other media of mass communication of the imperialists circles are deeply involved to work out once again, God forbid, the religion in this connection.

But this is not more than an illusion. It is just some desperate attempt as the people of this country and other parts of the world have become fully aware of the encroachments of colonialism and imperialism.

We would like to warn the BBC and its masters to stop their nonsenses and hostile propaganda and let us repair all the wreckages resulted from colonialistic encroachments in this country.

CSO: 4420

REPATRIATES FROM IRAN, PAKISTAN CRITICIZE CONDITIONS

Kabul THE KABUL TIMES in English 20 Jun 79 p 2

[Editorial]

[Text]

Are those persons who sit in mosques and madrasas as if doing thing for the benefit of Islam but in practice commit anti-Islamic acts actually Muslims? The respected readers may wish to know such elements; we clearly proclaim that they are the reactionary fanatic leaders of Iran.

They are claiming to be Muslim, and they have apparently proclaimed an Islamic regime, but their acts and attitudes are far beyond the sacred religion of Islam.

On the basis of the sacred religion of Islam if you have lots of food to eat and your neighbour sleeps hungry then you are not a Muslim.

Let us see the cruel and hostile act of reactionary and fanatic leaders of Iran who inspite of the fact that they give nothing to help the heroic Muslims around them they are taking and cutting the loil of the shoulders of the Afghan patriots.

A number of our patriots who had been deceived by the enemies of our people and had gone to Iran returned back as a result of DRA's statement. They said that they have been instigated by the narrow-minded religious fanatics of Iran to uprise against their Khalqi state. Further, these fanatics would have told them the mosques had been set on fire and the Muslims would not have been respected here. Likewise, the Afghans have been working hard, but they did not get their full wages as the fanaticism of Iran would have retained part of their wages saying that for the rest they would provide them with arm to fight against the great Revolution of Afghanistan.

Our respected readers might be aware that here in the Democratic Republic of Afghanistan we have Sunni and Shiite faiths and besides those, of course, there exist oth-

er beliefs toward each one we have high respect and never persuade a person to leave one faith and join the other. But the reactionary fanatic leaders of Iran are practically involved with this act. As one of the returnees said the anti-human fanatics of Iran would have told them to stay in Iran and had they had shiite faith they would have enjoyed all facilities.

But despite all these encouragements and promises the Afghan patriots did not stay in Iran and came back to their beloved land.

Why did they so?

Because, neither Iran nor Pakistan are the places where the Afghans would be treated as human beings. The noble progressive peoples of Iran and Pakistan themselves are living under all kinds of hardship. Thus how they would care about the Afghans while they do not care about their own citizen.

Besides that, the Afghan patriots when heard and realised that their Khalqi regime is theirs in the actual sense of words therefore they preferred to return to their beloved land. Many interviews published in connection with these deceived Afghans are manifestation of this fact that their living conditions in Iran and Pakistan have been like hell. They were not treated well and they could not find enou-

gh food and shelter. And they were trained to fight against their people and people's regime. They all say that they got sick of all the situation as such.

Besides that, of course, they heard the progressive steps taken for the benefit of the people. They heard that the people, the landless peasants, petty land holders and destitute Koochis were receiving land free of charge. They heard many other progressive steps taken in conformity with the lofty spirit of the sacred religion of Islam. Thus, they came back to their country and now they are living a happy life with their families and friends.

Now you see how these infidels in the guise of the sacred religion of Islam acted against the noble toiling Muslims. How they kept their wages to draw them into a fight against their brothers and Muslim citizens. How they indoctrinated them, in view of religion and other aspects so as they could divert their attention from their righteous Khalqi and progressive regime. While every thing done here in the DRA is in total conformity with the holy religion of Islam. Thus any body who acts contrary to this regime is himself anti-Islam and anti-people and anti-progress. Down with fanaticism and reaction.

COMMENTS ON 'ENEMIES' OF THE DRA

Kabul THE KABUL TIMES in English 30 Jun 79 p 2

[Editorial]

[Text]

The enemies of the people of the Democratic Republic of Afghanistan are continually helped by the foreign sources and we regard this as hostile act toward us and a clear interference in our internal affairs.

First of all the DRA, as one of the most advocate of peace in the world and region, has firm belief in the national sovereignty and territorial integrity of the nations and peoples of the world and has great respect to the principles of peaceful coexistence. We firmly believe that there is always a peaceful solution for every issue and dispute concerned, through negotiated settlement and good understanding among the nations. This ground is especially always prepared for the neighbouring nations to pave way for maintaining peace and friendship between them. The neighbouring countries should not give way

to the third party to create tension in between them. They should especially realise and wisely understand the malicious objectives of the colonialistic powers of the past which by creating differences among the neighbouring nations have caused a continuing tension between nations the examples of which are not only found in Asia but in various other continents as well.

The neighbouring countries with peaceful objectives towards world's issues and with common aspirations and cause should know the conspiracies and plots of the international imperialism towards themselves. The less developed and underdeveloped countries should try, at any rate, to create a peaceful ground for co-operation and assistance rather than to create tension and trouble for one another.

As we see there are too many good examples of good neighbourly relations in our region as well as the world. But unfortunately there are unfavourable examples also. The fanatic reactionary circles of Iran and the reactionary circles of Pakistan are the examples showing their direct interfering in the internal affairs of the DRA.

The good example of the direct interference of Pakistan is now and again attacks of its militiamen against the DRA's territories. As our respected readers are aware the militiamen of Pakistan have been caught and eliminated and the arms and munitions they held have been captured. Likewise, the treacherous acts of the mercenaries of the Irani fanaticism are clear enough in our domestic affairs of which all noble people of the world and peaceloving nations are completely aware.

Regardless of these interferences, there are some other elements, neighbour as well as others, whose interferences in our domestic affairs are obvious. We are wondering if there is need for further documents than their machine guns, explosives and ammunitions with marks clearly printed on them. Of course, the abovementioned arms and

materials have been captured from the Pakistani militiamen by our brave and heroic armed forces. Likewise, their machine guns, explosives and ammunitions have been discovered from the treacherous mercenaries of the reactionary fanatic leaders of Iran also.

The khalqi regime of the DRA, especially its great leader Noor Mohammad Taraki, General Secretary of the PDPA CC and President of the RC, did not want to reveal the intervention of some neighbouring countries in our internal affairs. But they themselves revealed their faces by putting their arms at the disposal of the militiamen of Pakistan and the treacherous penetrators of Iran.

Furthermore, their experts coming to Pakistan for training the fugitives and enemies of the people of Afghanistan have introduced them and besides that the international news agencies and other media of communication carried news about them. Thus the people of the DRA have clearly understood their enemies and the interventionists and they never get blindfold by the protests and the rejections of the interventionist. The people of DRA have firm belief in peace and peacefull coexistence with their neighbours as far as possible.

ASSASSINATION OF MUHSIN PART OF ISRAELI 'PLAN'

Algiers AL-SHA'B in Arabic 26 Jul 79 p 1 LD

[Editorial: "Assassination Does Not Stop Revolution"]

[Excerpts] Once again France was the scene of a new assassination operation against a Palestinian resistance leader, namely head of the PLO military department, Zuhayr Muhsin.

Although the judiciary investigation has not established the assassin's identity, it is easy to see the parties behind the crime. These are the parties to the Camp David agreement, particularly Israel. They are the same major parties which are behind the conspiracy against the Palestinian people and their right to freedom and independence.

Israel long ago laid a plan to assassinate the Palestinian resistance leaders abroad and has now begun implementing this plan, whose victims are Palestinian revolutionary leaders and cadres in Beirut, Paris, Rome and elsewhere.

It is observed that France has been the scene of most of the assassination operations against Palestinian resistance leaders abroad and that, every time, the perpetrators escape justice and the case is shelved. Are the French police and the special agencies incapable of providing security and exposing the criminals and the assailants? Or, is there connivance and coordination between French and Zionist intelligence against the Palestinian revolution and its leadership?

The assassination plan that aims at liquidating the Palestinian revolution's leaders and intimidating and terrorizing the revolution cannot be separated from the general Zionist-imperialist plan to assassinate the entire Palestinian people. It is linked to Israel's daily actions against the Palestinian masses in the occupied territories and in Lebanon--the only remaining outlet for the Palestinian fighters.

This assassination plan is also closely connected with the Camp David accords and their offshoots--the conspiracy over self-rule in the West Bank and Gaza, and the surrender treaty which al-Sadat signed with the Zionist entity. The parties to the Camp David conspiracy imagine that terrorizing the Palestinian people and their sincere nationalist leadership will drive them into the sphere of the U.S. solution and, consequently, boost al-Sadat's surrender line which the United States is seeking to strengthen in the area so that it leads to total surrender.

But experience has proven that the Camp David parties miscalculated and are incapable of understanding the realities of the Arab-Israeli conflict and the forces influencing it. To resort to assassination proves the failure of the Camp David parties, and of Israel in particular, to impose their solution on the area, and clearly shows Israel's inability to face the Palestinian revolution on the battlefield.

CSO: 4402

PARLIAMENTARIAN ASSESSES POWER RELATIONSHIPS

Hamburg DIE ZEIT in German No 27, 29 Jun 79 p 7

[Article by Norbert Gansel, Social-Democratic member of the FRG parliament:
"A Battle Against the Clock."]

[Text] During their controversial information visit to Iran the three members of parliament from the left wing of the SPD also informed themselves on the future domestic and foreign policy of the Khomeyni regime. The Kiel delegate Norbert Gansel draws up a balance sheet in his final report.

Will it be possible to fit the generally still revolutionary configuration of forces of Iran into a constitution? A thoughtful draft has been prepared by the respected lawyer Lahidji together with five colleagues, on the order of the Imam, and has been passed on to the government with his agreement. The constitutions of India, Algeria, France and the United States, and the old Iranian constitution served as raw material. The Islamic Republic of Iran will be a presidential democracy. The draft which has now been published has strengthened the Islamic and the presidential traits. The president and commander in chief of the army is to have the right, with plebiscitary agreement, to call for new parliamentary elections prior to the end of the parliament's term. He must be a Moslem. A "Council of Protectors of the Constitution" consisting of clerics and lawyers is to have the power to declare nonconstitutional laws which violate the principles of Islam.

A constitution of this kind would still leave room for pluralism. There is a difference, even if it is a fine one, between a situation where the laws have to bring Islamic principles to life apodictically and one where they merely may not violate these principles. "Islam has many rooms" we often heard from the mojaheddin, from the man in the street as well as in the government. We were proudly reminded that the history of Islam shows more examples of tolerance than that of Christianity. The members of parliament are to swear their oath of office on the Koran. The representative of the religious minorities (one Zoroastrian, one Jew, two Christians) are to swear on their respective holy books. Islam and the "Jaffari Shia" will be pronounced the official faith.

But so far all this is still constitutional theory; reality may look quite different. An alliance of extremist orthodox religious leaders and the remainders of the Pahlevian bureaucracy could turn Iran into a bigoted authoritarian republic (the shah himself will certainly never return). Only in this way might the moneyed class preserve all its privileges and the army restore its dominating position. A socially revolutionary Iran with an Islamic dialectical ideology would be an alternative possibility. The misery of the rural population and of the urban proletariat would provide a demagogically exploitable base for this. I fear that both alternatives would mean civil war. There is too much at stake, and too many people are armed. The third road remains very narrow and full of risks. Only the great Imam can lead along this road.

Only Khomeyni's authority provides a chance for a bloodless and approximately democratic solution as well as a chance for a new road between capitalism and communism, for the constitution wants to "found a classless society based on Islamic principles" (article 4) which respects private property (article 40f). Khomeyni is no religious fanatic. He is an orthodox Moslem and a pragmatic politician. Fanaticism alone could not have vanquished the shah and his army. His authority rests on his spiritual position, his relentless consistency in opposition to the shah, and his personal modesty and undiplomatic directness which the people understands.

Khomeyni is supported by intellectual advisors--men with family connections, which still appear to play a significant role--who have proven to be well educated, skilled, relatively young, but also conscious of their power. They are convinced Moslems without claiming absolutism. Men who had to go to jail or into emigration for their convictions. Anyone who gathers such men around himself is hardly likely to want to lead Iran back into the Middle Ages.

Khomeyni does not have much time. The fact that the consultations on the draft constitution are held in an appointed constitutional council instead of in an elected constitutional assembly is not only due to power considerations. Until now Khomeyni's charisma has held the masses in awe. But their material situation has not noticeably improved, even though the Imam does everything to help the people, since the business recession which started more than a year ago has turned from a business cycle valley into what is practically an abyss owing to the revolutionary upheavals.

As yet Khomeyni holds together all conflicting forces in the "antiimperialist battle." As long as the Iranian revolution does not feel threatened from the outside he should also be able to hold the Islamic extremists in check. Until now every revolution has been endangered by centrifugal forces and foreign enemies. The awareness of such dangers is virulent in Iran in a quite uncalculable manner. Ethnic minorities as a heritage of the old Persian expansionism, British colonialism, the occupation by the allied powers in World War II (with a special tenacity on the part of the Soviets), the CIA

aid in the overthrow of Mossadegh--all these are the historical experiences of Iran. There is a great fear of military intervention. Greater yet is the resolution to fight it off. Islam and the arming of the people would turn any intervention by a foreign great power into a Vietnam war. It would take the intellectual cynicism of a Kissinger to play around with this. The CIA was not aware how weak the shah was. It also seems unaware of how strong Khomeyni is.

More realistic is the danger of centrifugal forces, if they receive support from abroad. The unrest among the Arab minority in Khuzestan, which seems to be supported by Iran [as published] may turn into a question of life or death for Iran, for in that area lie the oil wells which provide the economic and foreign policy strength of the country. The Iranians mention three causes for this unrest. First, that the interests of the oil workers had been neglected until now; second, that the Iraqi government, under pressure from the Kurds in the north and the Shiites in the south, needed an external enemy for the sake of integration; third, that the Iraqi government was "Americo-communist" and was preparing for the return of the shah with the aid of the CIA.

The latter two versions are of significance for international politics. If a seizure of the oil wells were to be attempted, there certainly would occur a "levee en masse" in Iran. The revolutionary guard would be capable of offering sufficient military resistance, even in the absence of an intact army, to bring oil extraction to a complete standstill for a long period of time. This would have catastrophic consequences for our energy supplies, consequences whose only beneficiary would be the "atomic lobby" in the technologically highly developed countries. But who would want that?

Centrifugal forces are observable also in Kurdistan. Tehran tried to oblige the partitioned and brave Kurdish people by granting them special rights. But warning voices are already being raised, pointing to the spontaneous dynamics inherent in such modest starts towards autonomy.

Tehran is also worried about the province of Beluchistan. The fear is that the Soviets might want to open a road for themselves, via Afghanistan, to the warm waters of the Persian Gulf through this restless province which had been badly neglected by the regime of the shah (catastrophic famines).

Ultimately, however, Tehran is mainly worried about the Soviets. In the bookstalls of the city publications are being sold which describe the suppression of the Moslems in the Soviet army. There is undisguised sympathy for the Moslem insurrection movements in Afghanistan. Small as the chances of the communists are in domestic policies, their possibilities of influencing foreign policy are no larger. The West would indeed have to engage in some type of Suez adventure to drive the Islamic republic into the arms of the "atheistic" Soviet Union.

The Islamic republic also has to prove itself in its relationship to Israel. Iran immediately joined the rejection front of the Arab states. "Not because we are Arabs, but because we are Moslems." The embassy of the state of Israel was taken over by the PLO. The 75,000 Jews of Iran, who want to give expression to their natural relationship to the state of Israel, thus find themselves confronted by a difficult situation. This should none the less not be hastily dramatized in the West. The Jews have been subject to less persecution in Iran than they were in Europe. The Germans above all are not in a position, in face of their recent history, to raise demands against other nations; they can only ask questions and submit petitions, but that they must not fail to do. For that reason we have brought up the situation of the Jewish community time and again, especially after the execution of its president, Elghanian, and we have also conducted conversations with members of the Jewish community. During those encounters we met with fears (which are primarily based on the experience in our country), but also with hope.

The future foreign policy of Iran was described by Foreign Minister Yazdi as "positive neutrality." The country wants to orient its position with the "truly" nonaligned. There are noticeable reservations with respect to the Havana conference (the close relationship of Cuba to the Soviet Union). Iran is sympathetic towards the liberation movements against the relicts of colonialism, but it distinguishes between "genuine" and "imported" liberation movements. "We desire relationships of good neighborliness," a high military officer said, "and that also if other nations consider our Islamic revolution as a model."—All of this sounds quite sensible indeed.

The Americans will be out of the game for a long time. But the British and the French are also incriminated by their colonial past. The Germans have an undeserved chance to improve above all their economic relations with Iran. [Prime Minister] Bazargan calls to mind the 100 years of historically good German-Iranian relations ("You also always had the best orientalists.") The Iranian leaders are ready to consider the close collaboration with the regime of the shah (its embarrassing culmination: the visit of Count Lambsdorf and the delivery of 800 billy clubs and 16,000 handcuffs at a time when there was already fighting and killing in the streets) an episode of history if the Federal Government will assume a positive attitude to the changes in Iran. This need not and should not prevent us from speaking up clearly against violations of international law and human rights.

Problems--of the type resolvable by negotiations--will arise also when the giant contracts with German enterprises come up for examination and review (Bazargan: "On the basis of the criteria of logicality, justice and reasonability"). In the future business deals will be modest, but more numerous. Above all they will no longer be determined by megalomania and corruption. During the sale of French nuclear plants the bribes are supposed to have run in the hundreds of millions. From England the shah ordered 1,200 Chieftain

tanks, more modern than those which the British army has, without even determining the unit price. The purchase of nuclear plants and of submarines from the Federal Republic was in similar proportions. In that case at least there were no complaints about corruption, but "it is too much and too difficult given our technological level of development." "Henceforward we want to import only what we can ourselves master."

Cooperation?--Yes, but no dependence on foreign experts and advisers. This is stated in almost these words in the draft constitution (article 8). The new head of the atomic energy authority says: "We need it, we need German imports. But the decisive thing for us is only our independence." Iran can afford to have both. It is a rich country, as long as it behaves in an economic manner. Foreign Minister Yazdi responded to the key question of how much oil Iran wanted to export: "First, as much as we need, and second, as much as they need--and in that order."

Europe is being reduced to its natural size again.

9108
CSO: 4403

ARMY SEEN FACING COMPLETE DISINTEGRATION

Tehran TFHRAN TIMES in English 12 Jul 79 p 2

[Article by Mustafa Jaferi]

[Text] Tehran--The split in the armed forces has now come out into the open and all said and done there is no doubt that there is a clash of personalities in the military high command. The battle of words between the elite Military Police Commander Brig Gen Seif Amir Rahimi and the National Defense Minister Maj Gen Taqi Riyahi reflects the deep row resulting in charges and counter-charges which can end only in harm to the morale and status of the armed forces as a whole.

As it is, the Army is in an extremely vulnerable position enjoying little popularity among the people and is faced with complete disintegration unless something is done, and quickly too, to restore the confidence of the Iranian soldier.

In the current controversy both the defense minister and the military police commander are to blame. Firstly, before firing a person of equal rank, the defense minister seems to have been too hasty. As the supreme commander of the Iranian armed forces, Imam Khomeini should have been consulted first and his views should have been respected.

By taking an arbitrary action, Gen Riyahi has not only placed himself in an unenviable position but by proportion the position of the entire government has been put into jeopardy.

Gen Rahimi, on the other hand, is to blame for publicly flouting the order of dismissal by the defense minister, who is at least administratively superior to him. If he had any objections, he could have approached the Imam and sought his reinstatement from him. This could have been accomplished quietly without anyone becoming aware of the split.

The government as a whole also is not completely blamefree. In the first place it should not have announced publicly that Gen Rahimi had been fired and replaced by Col Dilnavaz until it was sure of its ability to enforce its decision.

From another angle, Gen Rahimi should not have publicly defied the government by saying that he had the backing of his 7,000 Military Police troopers. This amounted, indirectly, to threat to use force when it came to a showdown.

This was all the more surprising from Gen Rahimi who is indeed a staunch supporter of observance of complete discipline in the armed forces. Being a patriot of a high order his chagrin over the dismissal order is understandable. There is not the least doubt about his sincerity either to the country or the Islamic Revolution of Iran. His past record is much too clear for any such doubt.

But then there are also no doubts about the sincerity of the defense minister and his cabinet colleagues. Therefore, an open clash between people of proven loyalty to the country can only be termed as unfortunate.

The immediate effect of the public row is a further weakening of the government. Ever since his coming to power after the February Revolution, Prime Minister Mehdi Bazargan has been tied down with limitations beyond his control.

In the beginning it was hoped that as time passed on and things settled down, the government will be able to assert itself and will ultimately have control over things. Although five months have passed since the Revolution, Bazargan's burden seems to grow from day to day rather than lessen. His government is faced by crisis after crisis. Indeed the problems before him are colossal and require superhuman efforts to solve them.

The latest incident is serious enough in that it concerns an agency in whose hands rests the destiny of the whole nation. Without a united and efficient army any country could be vulnerable to outside threats and internal unrest.

A soldier can hardly be expected to observe discipline when he notices that there were differences among the officers above him. It might also indirectly affect his own conduct and encourage him to disobey his superiors. If this happens it would be a sad day for the Iranian Army.

The timing of the rift is also inopportune from another point of view. During the days of the Revolution the Army lost a considerable part of its equipment and its entire corps of commanders, who were hand-picked men with known and avowed loyalty the previous regime in general and the ex-shah in particular.

It is also a known fact that Iran is in possession of a huge amount of sophisticated weapons bought from the U.S. and other suppliers. Government spokesman Abbas Amir Entezam once said in a press conference that "We have so many arms which will last us for generations." What the Iranian

Army lacks at present is availability of adequate number of Iranians to handle these weapons. The primary job of the Army should have been to bend down to the task of finding ways and means whereby it could use these expensive equipments to the best advantage without having to rely on foreign technical knowhow.

On paper, the Iranian Army is still an awe-inspiring force but in reality it needs the incentive both to soldiers and officers to make the best use of the available resources.

The Imam moved in the right direction when he granted a general amnesty to all those who were involved with the previous regime. The only exceptions were people charged with murder and torture.

Many officers and men who were mistrusted solely because they were serving in an organization known to be loyal to the deposed shah will now return to their work wholeheartedly without fear of retribution.

While all these actions are being taken to build up the morale and efficiency of the soldier petty disputes are likely to nullify these measures and must be avoided for the sake of effectiveness of the agency to which they have vowed loyalty.

CSO: 4920

ARAB GROUPS INFLUENCE REVOLUTIONARY GOVERNMENT

Tehran IRAN POLITICAL DIGEST in English 15 Jul 79 pp 2-7

[Text] Two weeks ago, Tehran's Press published a shocking story that the son of Ayatollah Montazeri, aided by his supporting gunmen, had left the country for Syria and Libya despite strong opposition by the security forces to thwart his bid. The significance of this incident becomes greater when we review it along with other connected events.

During the past five months since the inception of the Islamic Republic Government, a series of scattered and isolated events have taken place in Iran with the adventurous event concerning the son of Ayatollah Montazeri being the latest. Although not linked together but collectively, these events disclose the latent influence of several Arab groups during the course of the Iranian revolution. Such events also indicate that although an Islamic Republic regime has evidently come into power in Iran as a result of the national revolution, yet a variety of groups are continuing their activities under its cover, and since the Government has no control, whatsoever, over their functioning, each one of these groups is tantamount to the existence of a government within the government. These events can be summarized in the following chronological order:

1. The arrest and subsequent torturing of the sons of Ayatollah Taleghani while leaving the PLO office in Tehran which resulted in the departure of Ayatollah Taleghani himself from Tehran. Despite assurances by the Government to prosecute the criminals concerned, no action against them has been revealed to this date.
2. The unscheduled and sudden visit of Colonel Abdes Salam Jalloud of Libya to Iran and his parleys with Imam Khomeini, and demonstrations against Jalloud by the supporters of the missing Lebanese religious leader, Imam Mousa Sadr. The Libyan top official, who had apparently travelled to Iran for a short visit, was forced to prolong his stay to 10 days. It was said that he was held here as a hostage in order to persuade the Libyan Government to free Imam Mousa Sadr. However, the truth behind these events is unknown so far.

3. The arrest and detention of a communist guerrilla organization (Fedayeen Khlaq) leader, Hammad Sheibani, while he had gone to Mehrabad Airport to see off Archbishop Cappucchi. Sheibani remained imprisoned for a period of two months. He was released recently following a series of protests by his supporters. Charges on which he was arrested have not been made public so far.
4. The successive assassinations of Major-General Ghareni and Ayatollah Motaheri in Tehran with the Forghan Group taking the responsibility for these killings. Later, the Government claimed that it had arrested some members of this group and promised to expose this secret organization. However, no official announcement to disclose the identity of the assassins has so far been released.
5. Claims made by the Khuzestan Governor-General Vice-Admiral Madani in the beginning of the revolt in that province to the effect that George Habash had traveled to the region and met with some leaders of the Fedayeen Guerrilla Organization. No more disclosures have been made on the subject, and Government officials have so far withheld their views on it.
6. The sit-in strike by a 300-man strong group in the Mehrabad Airport Building. This group apparently intended to proceed to Libya to attend that country's Independence Day celebrations but was detained at the airport due to the opposition by the Security officials. During the strike, the group put the whole airport into confusion. It is still unknown who had ordered against the exit of this group from the country, and why the security officials, if acting on their own, have not been prosecuted so far.
7. The arrest of the National Democratic Front leader Dr Hedeyetollah Matin-Daftari at Mehrabad Airport while on his way abroad and his interrogation by an unknown group before being set free. No official clarification has been made to date by the Government on his arrest and subsequent interrogations.
8. The detention of the Mojahedin Khalq Guerrilla Organization leader Mohammad Reza Saadati. The Government has not yet taken the responsibility for his arrest, and it is still not known who ordered his arrest. Saadati is charged that he was arrested while exchanging information with a Soviet Embassy official. However, it is not known why no action is being taken to put him on trial and prove the veracity of the charge levelled against him.
9. The exit from the country of Mohammad Montazeri, son of Ayatollah Montazeri, after he and his armed colleagues held up a Syrian plane and its passengers as hostages at Mehrabad Airport, and his parleys later with the Libyan leaders. It is not known which group had assigned him such a deputation and how he managed to leave the country without being permitted by the Government.

In this report, we will survey the interrelationship of the above events, apart from introducing those groups which were, in any way, involved with the occurrence of the events. This survey will include the following contents:

- a. Various arab groups presently active in Iran.
- b. Reflection of recent events in the Government and the public eyes, and their results.

Various Arab Groups

Reports received by us from official and nonofficial sources, indicate that the undermentioned Arab groups are presently active in Iran:

--Palestine Liberation Organization (PLO): This is the only Arab organization having an official representation and enjoying open political activity in Iran. This Organization has very good relations with Imam Khomeini and the provisional government, and the Government hopes to check, with the PLO help, any probably sabotage attempts by other extremist Palestinian Organizations. However it appears that the PLO either doesn't have much influence over other groups or intentionally doesn't want to apply any in case it might have some influence over them. The weekly OMID-E-IRAN reports in its July 9 issue:

"Top secret reports say that the PLO leader Yasser Arafat has brought much pressure over the extremist Palestinian groups in order to prevent them from interfering into Iran's internal affairs, especially in Khuzestan region. These reports further say that at a meeting of the PLO High Command, Arafat severely attacked the Pro-Iraq Palestine Liberation Movement, and held them responsible for recent riots and disorders in Khuzestan. This group, in collaboration with the Iraqi government agents, has started training and dispatching guerrillas to Khuzestan for sabotage activities there in recent weeks."

Other reports indicate that Imam Khomeini has ordered the Government to hold consultations with the PLO Representative in Tehran, Hani Al-Hasan, before taking any measures against the extremist Palestinian groups. The instructions are aimed at amicably resolving any problems through him.

At present, the PLO has set up a vast-ranging network of its supporters for gathering funds and arms for Palestinian guerrillas. The PLO Representative Office in Tehran is having close collaboration with the Iranian security officials in imparting training to the Revolutionary Guardsmen as well as in confronting with the instigations initiated by the Zionist agents in Iran. It is said that there are already about one thousand armed PLO guerrillas in Iran to necessarily protect Imam Khomeini against any likely coup attempts. It has been heard from quarters close to Imam Khomeini that some PLO members, who had smuggled themselves into Iran before the Islamic Revolution, had played an effective role in its victory

by battering the Armed Forces during the three decisive days of February 9-11. Among Iran's various political groups, the Islamic Republican Party, the Iranian Revolutionary Mojahedin, the Revolutionary Guardsmen, and the Tudeh Party have cordial ties with the PLO. But, other groups, especially the leftist guerrillas, refrain from becoming intimate with the PLO since they don't rely on it thinking it to be in close contact with the Government's security agencies.

--Pro-Syrian Group: This group which presumably functions under the command of Palestine's "Saeqeh" Organization, although has comparatively less number of members yet is extremist in nature and very active. Its members mostly comprise those Iranians who migrated to Palestine or Syria during the former regime where they began collaborating with the "Saeqeh." This group enjoys close relations with the pro-Qaddafi elements as well as the Syrian Embassy, gets financial assistance from them, and has been directly or indirectly involved with most of the recent events in Iran. Mohammad Montazeri, who forcibly found his way out of Iran recently, is one of the influential members of this group.

The weekly OMID-E-IRAN carries an interesting report on Mohammad Montazeri in its latest issue. The report says: "He was born in Bahrain and possesses a Bahraini passport. During his stay in Lebanon during the years 1973-77, he got trained at the Palestinian camps, and later joined the "Amal" Group. He was, in fact, attached to Syrian security agents, and it was a result of his spying mission that the Syrians made a successful attack upon a PLO unit killing 36 of their members."

Mohammad Montazeri returned to Iran during the revolution days and set up his own armed contingent. Following the seizure of the SAVAK headquarters in Sultanatabad area, he got his men stationed there. Among this group's assignments was the arrest of Ayatollah Taleghani's sons, bringing together a 300-strong group for a visit to Libya which staged a sit-in strike at Mehrabad Airport, the arrest of Dr Hedayatollah Matin-Daftari, and the recent armed attack at Mehrabad Airport resulting in the hold-up of the Syrian plane.

The Montazeri Group doesn't consider itself to be bound to obey the Islamic Republic of Iran or the PLO leader Yasser Arafat. The Group also is not on cordial terms with the leftist groups and has no cooperation with them. It considers the provisional government to be the agent of the U.S. imperialism and Zionists. The Group might probably be in secret league with the Forghan group.

Some members of the Montazeri Group, while frequenting and cooperating with the Lebanese Shi-ites and Imam Mousa Sadr's followers, have concurrently had close contacts with the Syrians and pro-Qaddafi elements. These contacts aimed at bringing the "Amal" group under Qaddafi's domination. Mohammad Montazeri is not in agreement even with his father who is a friend of Yasser Arafat and favours a liberal attitude.

Forghan Group--This group, which was involved in a number of terrorist activities in Iran recently has not yet been recognized properly, but as is evident from its announcements and leaflets, it is an anti-Shi-ite religious group. It believes that the Quranic instructions should be enforced directly free from any interpretations. It charges Mullahs of tampering with the contents of Quran to exploit the Holy Book to their own advantage. According to unofficial information, the Group's contact with the pro-Qaddafi elements has been confirmed, but it is not known whether it has any links with the Syrian-dominated "Saeqeh" Group.

Forghan Group's activities became more intense when the differences between Imam Khomeini and Colonel Qaddafi surfaced out. It was then that this group decided to assassinate Imam's trustworthy men in order to frighten the Imam and his associates. To this date, the group has killed three such individuals namely, Major-general Qarani, Ayatollah Motaheri and quite recently, Haji Tarkhani. There have also been vain attempts by it to assassinate some other individuals. Attempts to trace out and prosecute members of the group have, so far, produced no results as the group has access to some Imam Committees, the associates of Imam Khomeini and the Revolutionary Guardsmen who neutralize all Government efforts in this connection. Being anti-American and anti-communist, the group is opposed to an Islamic form of government based on Parliamentary democracy.

--Pro-Habash Group: Members of this group are those left-leaning Muslims who formerly collaborated with the pro-George Habash group in Lebanon and comprised the "Resistance Group." During the recent disturbances in Khuzestan, it was revealed that members of this group were entering Iran via Iraqi border and cooperating with the communist guerrillas. Some incoming members of this group had posed themselves as the stalwarts of the Iranian Arab People's Liberation Movement during the Khuzestan disturbances but were unveiled later. They were trying for the secession of Khuzestan. It is said that their operational headquarters are located within the Iraqi territory near the Iranian border, and they also receive help from within Kuwaiti soil. They are opposed to Iranian nationalism. While ruling out any parleys or compromise with the United States and Israel, they consider the Soviet Union to be a friend of the Arabs. This group thinks Arafat and his colleagues to be moderate and compromising, and praises the Iraqi government's nonreconciliatory stance vis-a-vis Israel and the United States. Among this and other extremist groups, mentioned above, although there is no direct cooperation but an identity of thought and understanding. This group is, at present, dispatching regular consignments of arms and ammunition to Khuzestan and directing sabotage operations there. It is said that there exists some sort of cooperation between them and the agents of the ousted Phalavi regime on their common movement against the Islamic Republic of Iran. The weekly OMID-E-IRAN has made a claim in its latest issue to the effect that the leaders of this group and pro-Shah elements, such as General Oveissi and General Palizban, had conferred at a recent meeting held in Iraq under the sponsorship of that country's leaders.

This group doesn't have much influence over the close associates of Imam Khomeini or the provisional government, but it is said that some of the fanatic religious leaders, like Sheikh Sadeq Khalkhali, have held parleys with the members of this group.

Imam Khomeini is endeavouring, with the help of Yasser Arafat, to check the sabotage acts in the country, but has not had an all-out success so far. This group and the security forces are confronting each other in Khuzestan at present.

--Pro-Amal Group: It is a guerrilla group with the supporters of Imam Mousa Sadr and the Lebanese Shi'ites as its members. They have a political set-up in Iran which is influential among this country's Shi'ites. However, the Amal guerrillas are unarmed. All the pro-Imam Sadr and anti-Libyan protest rallies are organized by this group. Apart from being close to Imam Khomeini, this group has many friends among the Iranian religious leaders. One such "Amal" member is Ayatollah Chamran who formerly resided in Lebanon as a Lebanese national, but has lately acquired Iranian nationality. Despite the fact that Chamran is a personal friend of Mohammad Montazeri, and according to reports, the former had contacts earlier with the Syrians, the Amal group is opposed to pro-Syrian and Libyan elements, and the group has often emphasized upon Imam Khomeini to check the influence of such elements among the Revolutionary Guardsmen as well the Imam Committees. At present, the group's activities have been limited as a result of the threat given by Colonel Qaddafi that his supporters would take reciprocal measures if anti-Libyan protest rallies are not stopped in Iran.

The Government Position

The activities of various groups, some of which openly refrain from obeying the Government orders and laws of the land, has put the Bazargan Government in an awkward position, incapacitating it from adopting any serious measures. In some cases like the one that happened at Mehrabad Airport, the Government showed such a weakness on its part which made it a laughing stock in both national and foreign circles. It is a fact that there is a disagreement between Imam Khomeini and the Government on the line of action to be taken against such groups with the result that often Imam's orders come in the way of serious measures contemplated by the Government. Apparently, Imam Khomeini allows Government to act in some cases while disallowing any action in others. For example, the Government is allowed to act freely whenever dealing with the left-wing communist groups whereas in other cases, such as the Montazeri group, it is devoid of any authority or power to proceed against. In such a case, the Government prefers to keep itself aloof and assign the responsibility for acting against and controlling such groups to Imam Khomeini and his associates. Such a difference of opinion can be easily observed in relevant Government

action. For instance, the Bazargan Government didn't intervene in the Saadati case relieving itself of any responsibility, whereas in case of Montazeri, it issued an arrest warrant.

Over and above the cases referred to above, these groups have some liaison elements in the Government, the Imam Committees, and also among the Imam's associates who give protection to these groups and pass on to them any secret Governmental decisions. It is said Mr Sadegh Qotbzadeh has close ties with the pro-Syrian and Montazeri group; Chamran with both the "Amal" and Montazeri groups; Ayatollah Taleghani with the leftists; Sheikh Sadeq Khalkhali with the extremist Iraqi groups; and finally Montazeri with the pro-Arafat group.

In his recent talks with Imam Khomeini, one of the conditions, put by Premier Bazargan to remain in office, was that he should be allowed a free hand to deal with any instigatory acts of these groups by calling upon the Iranian Army's help to establish law and order in the country. However, some members of the Revolutionary Council strongly opposed the idea.

Presently, various groups such as the Iranian Army and the Revolutionary Guardsmen on the one hand, and the left-wing guerrillas, and the right-wing extremists, taken separately, are readying themselves for a bloody confrontation. Such a confrontation has already taken place in Khuzestan, and it is likely to occur in Tehran and other cities of the country.

It can, therefore, be predicted that while various political factions are engaged in discussing the text of the draft constitution, the armed groups, aided by some foreign governments, are preparing themselves for an armed clash aimed at taking over power in Iran. Rumours are rife all over the place that such a tug-of-war could take place before September this year.

CSO: 4920

GOVERNMENT PLANS TO COUNTER SEPARATIST MOVEMENTS

Tehran TEHRAN TIMES in English 15 Jul 79 p 2

[Article by Mustafa Jaferi]

[Text] Tehran--Bloodshed continues in Abadan and Khorramshahr while Ahvaz also has its share of violence with the blowing up of the local police headquarters there. Firing in the air failed to disperse the crowds, shooting at the crowds caused panic and 25 people, mostly women, who were trampled under foot in the ensuing stampede got hurt.

Forces at work in the trouble in Khuzestan, and for that matter, elsewhere in the country, are not genuine lovers of autonomy but the trend is far more dangerous and amounts to outright separatism.

For 50 years people in various parts of the country had been ruled by oppression and suppression and for the first time in this half of the century people feel relaxed and are exposed to all kinds of propaganda--even the kind harmful to the national interest.

In a not too distant past it was sufficient to be caught with the literature of a party not enjoying the official blessing to suffer all kinds of physical and mental torture. Now people can and do carry slogans and placards of all kinds.

While all this is going on the authority of the government seems to be disintegrating. It appears that the present government is marking time and devoting its entire attention to the approval of the Constitution, election of a Majlis and then the coming to power of a more permanent government.

Yet, it should not be forgotten that without internal security there can be no election, nor can everything be put off until a permanent government comes to power. There are certain things, no matter how unpleasant and no matter how much effort they require, which must be performed immediately. Establishment of government authority is on the top of these.

Indeed, there are certain impediments in the path of the government, such as the tussle for power with the religious committees, but this has to some extent been resolved following the recent meeting between Prime Minister Bazargan and Imam Rouhollah Khomeini.

Whatever difficulties remain in the way are for the government to solve speedily. Separatist movements cannot be allowed either in Khuzestan, Kordestan Sistan and Baluchestan or anywhere else in Iran. It is a well-known principle of sociology that one's rights ended where those of others began.

This, however, does not mean that people in all these provinces should continue to be ruled with the same tyranny as in the past. On the contrary maximum freedom should be given in social, political and financial matters, but they should certainly stop short of the disintegration of the country.

One of the reasons for the downfall of the past regime was that it failed to obtain the confidence of the ordinary people. It suffered from the wrong impression that the ordinary people did not know how to administer their own affairs nor how to improve their own lot. Nothing could have been further from the truth.

Some of the demands put up by people of the various regions are not only acceptable but should be encouraged. The closed-door decision-making in the center could not work. It has been proved time and again that without the active participation of the people no program could be implemented successfully.

For example, there could be no harm if people wish to have their own regional language as the medium of instruction in their schools as long as they also teach the Persian language to their pupils because after all the state language will continue to be Persian.

Or similarly, if the local people want a certain project to be given priority, there is no reason why the central government "experts" should insist on something else.

In any case the dissatisfaction of the people must be removed. Perhaps, many regions still fear that if they did not assert themselves they would continue to be treated as in the past.

Admittedly, this is a long-term program. Convincing people of the government's sincerity is a lengthy process and could be accomplished only with time but meanwhile it is necessary that the government's intentions should be established all over the country.

This can come only through the Revolutionary Council's action. Military Police Commander Gen. Amir Rahimi has served notice that he is going to request a special session of the council at which he would explain the situation as it exists today.

Five months of inaction is a period long enough to give the counterrevolutionaries the opportunity to sow the seeds of discord by fanning petty sectarian rivalries. They must be countered now without delay.

Already there are reports, substantiated by evidence, of anti-nationalistic elements distributing money and weapons in South Iran. They must be found and stopped.

CSO: 4920

MINORITIES TO HOLD CONFERENCE IN MAHABAD

Tehran TEHRAN TIMES in English 22 Jul 79 p 2

[Article by Ahmad Hasan]

[Text] Tehran--A high level conference of different Iranian races will be held in Mahabad on August 25, it was announced here yesterday.

The conference, the second of its nature, has been called unanimously by Kurdish, Turkoman and Baluchi leaders in order to strengthen their solidarity and bring about harmony in their demands for regional autonomy.

Almost all important leaders from Khuzestan, Kordestan, Turkoman Sahra, Bandar Abbas and Baluchistan will participate in this conference. Invitations to all prominent leaders of these areas are being issued but it is not known whether Maulavi Abdol Aziz, Founder of the Islamic Party in Baluchistan, would participate in this conference or not, because he has a difference of opinion with other political groups of his province which have already announced their readiness to take part in the forthcoming conference.

Sources close to the National Democratic Front said they would also send a strong team to participate in the proposed conference.

A Kurdish source here told TEHRAN TIMES that it was for the first time that such conferences of different racial groups were being organized in Iran because during the previous dictatorial regime of the deposed shah no racial group of Iran was ever permitted to prove its identity or open mouth to express its genuine problems and difficulties.

He however admitted that this was made possible only due to the Islamic revolution and through a government of the people, by the people and for the people in this country.

He said the gathering of different racial groups of Iran on one single platform would go a long way in bringing about unity among them. This

would also enable them to coordinate their efforts and urge the government to pay greater attention towards their genuine demands for regional autonomy and greater economic development in rural parts of Iran.

Meanwhile the first ever conference of different Iranian races ended here Friday with a combined plan for federal government system and regional autonomy for provinces of Iran composed of different Iranian races.

The Conference was organized by the National Democratic Front.

Delegations from the Iranian Arab Peoples Cultural Association, Iranian Kurdish Societies' Coordination Council, Kurdish Democratic Party, Central Command of Turkoman Councils, Kurdish Society in Tehran, Kurdish Branch of the Peoples' Fedayeen, National Democratic Front and the Study Group for the Problems of Azarbaijan participated in the conference.

From Baluchistan representatives of the Baluchistan Peoples' Democratic Organization and Baluchi House took part in the conference only as observers.

The conference was opened with messages from the Kurdish leader Sheikh Ezzreddin Hoseini and National Democratic Front.

A joint plan for regional autonomy was finalized and approved at this conference which calls for the restoration of genuine rights of different races of Iran.

The plan has made it clear once again that no racial group or community was in favour of disintegration or separation of any kind from Iran.

CSO: 4920

MINISTER APPEALS FOR FOREIGN INVESTMENT

Paris AL-NAHAR ARAB REPORT & MEMO in English 23 Jul 79 p 2

[Text] Disclosing more details about Iran's new budget proposals, Planning and Budget Minister Ali Akhbar Moinfar last week said that the provisional revolutionary government welcomed foreign investment under certain conditions. In particular, it was hoping for foreign participation in essential industrial projects, provided that this involved a transfer of technology.

There is unlikely to be an immediate rush of foreign investors. The budget details remain sketchy for a start and must be approved by the Revolutionary Council headed by Ayatollah Khomeini before they can be put into effect. Statements issued by the council after the recent takeover by the state of banks, insurance firms and other industrial concerns were hardly designed to inspire confidence in foreign capitalists and imperialists, though it is true that the government of Mehdi Bazargan has pledged to honour all foreign bank debts and compensate nationalised companies.

Mr Moinfar said that changes resulting from the nationalisations would be incorporated into the budget once economic studies were complete. As an example of the kind of foreign participation Iran is now seeking, he mentioned the giant petrochemicals complex at Bandur Shahpur in which the Japanese have a 50 percent stake. But, as this newsletter reported in its June 11 issue, the \$3.3 billion project is the only one to which the government has given top priority and foreign companies estimate that the loss of business following the scrapping of projects ordered by the Shah could run as high as \$70 billion.

Mr Monifar refrained from speculating on the future of many of these projects, which are still under review.

He confirmed that the new proposed budget would total 2,440 billion Rials (\$34.8 billion before official exchange rates were suspended in April) and said that about 75 percent of the revenue could come from oil exports. Associated Press quoted officials in Tehran as saying that the

budget would show a deficit but that the size of it would not immediately be known. They added that the Revolutionary Council was expected to approve the proposals by the end of the month.

As expected, Mr Moinfar announced a massive cut in defence spending, from Rials 699 billion (\$10 billion) under the Shah last year to Rials 280 billion (\$4 billion). Large scale military projects such as the Shahbahar naval base in the Gulf of Oman had been scrapped, he said, but he added: "We have not stopped spending on essential military expenditures, such as arms purchases that are still necessary or spending on arms forces personnel."

The budget allocations of 22 organisations connected with the imperial court and related agencies had been abolished, Mr Moinfar said, in line with the policy of eliminating unnecessary spending. He said the government would have liked to allocate all oil revenues to development but this was not possible; some revenue would still have to go on bureaucratic expenses. A total of Rials 880 billion (\$12.5 billion) would be allocated for development in the coming year and Rials 100 billion (1.4 billion) on agricultural products and fertiliser.

CSO: 4920

CABLE OF CONGRATULATIONS SENT BY JORDAN

Baghdad VOICE OF THE MASSES in Arabic 1200 GMT 4 Aug 79 JN

[Text' of cable of congratulations sent by the Ba'th Party Organization in Jordan to Saddam Husayn, president of the Republic of Iraq]

[Text] In the name of all your comrade strugglers of the Arab Socialist Ba'th Party in Jordan and its friends, we proudly extend to you our sincere congratulations for the confidence our party and people in Iraq have placed in you when they chose you as Ba'th Party regional command secretary, RCC chairman and president of the republic. We are confident that the great experiment launched by our party in fraternal Iraq will witness progress and prosperity during your era. The march of the 17 and 30 July revolutions will advance forward and achieve the Arab masses objectives under your leadership.

In the spirit of the Arab cavalier, the brave Arab Ba'thist's belief and his deep commitment to principles; in view of the most glorious democratic experiment during which a transfer of power took place from one leader to another and from one struggler to another, and within the framework of party and constitutional legality, which embodies the most noble moral and human values, you assumed responsibility of the revolution and struggle from your great comrade struggler Ahmad Hasan al-Bakr. He gave the Iraqi people and revolution the most glorious examples that a Ba'thist, struggler and leader can give, so that you may proceed with this victorious march in order to achieve its objectives and fulfill our Arab masses aspirations for liberation, unity and a democratic socialist society. You are offering your youth, high determination and revolutionary morale to our great party experiment in Iraq in order to strengthen this experiment and advance it forward.

Ba'thists throughout the entire Arab homeland, who are proudly watching all the party's achievements in fraternal Iraq on the road to building Iraq's special revolutionary experiment with its pan-Arab [qawmiyah], democratic and socialist dimensions, are proud of this experiment and place it deep in their hearts. They consider themselves committed before their nation and history to defend, protect and safeguard it and to firmly confront all those who try to harm, conspire against or defeat this experiment.

Let the will of our Arab people in Iraq emerge victorious. Let our people's revolutionary march proceed forward under your wise leadership. Let the banner of the Arab socialist revolution be raised by the hands of the courageous strugglers. Victory to our Arab nation and immortality to its mission.

[Signed] Arab Socialist Ba'th Party Organization in Jordan.

CSO: 4802

IRAQ

BRIEFS

MINISTER TO ECUADOR--Minister of Irrigation 'Abd al-Wahhab Mahmud 'Abdallah left Baghdad for Quito today at the head of a delegation that will represent Iraq at the celebrations marking the installation of Ecuador's new president (Rold Roy) next Wednesday. The minister of irrigation said that he is conveying President Saddam Husayn's greetings to President (Rold Roy) and wishes of prosperity for the people of Ecuador. The delegation includes Isma'il Tayih al-Nu'aymi, Iraq's ambassador to Venezuela and nonresident ambassador in Quito. [Text] [Baghdad VOICE OF THE MASSES in Arabic 0800 GMT 5 Aug 79 JN]

CSO: 4802

'MA'ARIV' CORRESPONDENT SCORES CARTER FOR 'SLIP OF THE TONGUE'

Tel Aviv MA'ARIV in Hebrew 3 Aug 79 p 19 TA

[Washington correspondent 'Ido Dissentshik article: "Carter's 'Slip of the Tongue' Hurts Both the Blacks and the Palestinians"]

[Text] During his 10 days of self-imposed confinement at Camp David, President Carter--as he himself admitted--heard a lot of criticism about the way he does his job and about his lack of leadership. It is not clear whether the people with whom he had consulted before he "descended from the mount" told him that at times it is better to keep quiet rather than to speak out and that he had better be very careful in his choice of formulations.

If indeed such criticism was leveled, it appears that the President acts as though it had no effect on him. Last Tuesday evening, Carter hosted a guest at the White House, New York TIMES correspondent Leonard Silk. For reasons which have yet to become clear, the President specifically chose Silk to be the one before whom he would lay down his views on a wide range of subjects from the U.S. economic recession to the rights of the Palestinians to return to their homes in the West Bank.

Using the method which has already become Carter's hallmark--and which ought to have disappeared following his self-examination exercises at Camp David--the President once again showed that there are very few more able than he to create a public storm where it is utterly unnecessary. His special talent urges him to create a scandal where it can cause the greatest damage--to himself, to his administration and perhaps also to Israel.

During the interview with Silk, Carter compared the Middle East Palestinian issue with the U.S. equal rights movement. According to the New York TIMES, the President described the Palestinian issue as "a matter of rights, loaded with emotional explosives."

This statement is typical of Carter's first days in the White House. At the time, many dismissed such unbelievable announcements, attributing them to his lack of experience.

If we ascribe to this declaration the most generous interpretation possible, it would still prove a fathomless ignorance both of the Palestinian issue and of the history of the blacks' equal rights movement. Giving it a more cynical interpretation--and the hemming and hawing of the White House spokesman in trying to explain the President's statement gives further backing to the inclination not to give the President the benefit of the doubt for once--it is a direct insult to Israel, and perhaps even an indirect insult to the U.S. Jewish community, to the black community in the United States, to common sense and even to the Palestinians.

When the President's brother Billy voiced some disgusting anti-Semitic and anti-Israeli statements, the President did not go out of his way to condemn his brother. When he finally did so, he used rather moderate terms. Billy is not anti-Semitic, the President said, he is very sick, but he is my brother and I love him.

Much was published about the President's brother at the time, but only very few commentators wrote about Billy's brother. Several people mentioned the notion that the President grew up in the same social atmosphere and geographical surroundings as his brother and that he may perhaps even have been exposed to the same influences, but that he is better able to conceal them.

One of the most revolting aspects of Jimmy Carter's character is his constant tendency to preach and to assume the mantle of piety and righteousness. It is obvious that he believes there is no one else in the world more worthy than himself to talk about justice, love, God and similar abstract concepts.

Under his leadership the United States has appointed itself judge of other social regimes as well as of political and legal institutions in other countries, as though Carter had finally managed to put an end to all wrong and injustice from down home.

In our case, Jimmy Carter has "ruled" that, since this is a matter of rights, then the Palestinians' situation is similar to that of the black fighters for equal rights in the United States of the 1950's and 1960's.

Let us examine this argument, first from the Palestinian aspect. The Palestinians have no cause to rejoice over Carter's declaration because all he is offering them is ultimately to become citizens with equal rights in the places where they currently reside. This was precisely the cause of the black equal rights movement: An attempt to force the U.S. society to actually live up to its social and legal principles. The question is whether first of all the Palestinians have to become slaves, carrying Carter's comparison to its logical ad absurdum conclusion.

The Palestinians do not live in Israel. They do not seek full equal rights within the framework of Israeli society. They seek national political rights in the territories, which are only partially under Israeli occupation.

Yet the most depressing aspect of this entire episode from the Palestinians' point of view is the fact that the only hope Carter has in mind for them is to reach the status of the blacks in the United States. But the blacks--even under Jimmy Carter's pious and righteous rule--are still far from enjoying equality as compared to the rest of the population.

It is a fact that the Palestinians living in Israel are enjoying civil rights to a much larger extent than the U.S. blacks do today, 200 years after the American revolution, about 100 years after the Civil War, close to 3 years after Jimmy Carter entered the White House.

Neither do the U.S. blacks have reason to be happy with Carter's comparison. This comparison presented the black as being basically a terrorist, a murderer of women and children who tries to attain national and political existence for himself at the expense of the physical existence of another group of people. The black equal rights movement in the United States excelled precisely in its nonviolent nature. It was proud of this, but now, by a slash of the tongue, it has turned into merely a gang of terrorists.

It would probably be too much to ask Jimmy Carter to know what he is talking about. After all, he was brought up in the south, where the equal rights movement had to fight against his best friends in order to score any achievements. Before he arrived in Washington, Jimmy Carter belonged to a church which did not allow blacks under its wing. If we bear in mind his background, we will find it difficult to expect him to know very much about the equal rights movement.

The attempt to compare the two subjects is not only groundless from the historic and factual point of view, but it is also--in light of what Carter aims to achieve in the Middle East and what he wants to obtain in his domestic policy--tactically foolish.

At a time when sensitivity is at its highest, he succeeds in alienating Israel, the Jewish community in the United States and the U.S. blacks. He tries to make Israel agree to very difficult concessions on the Palestinian question and, instead of soothing, he alarms it by the free use that he makes of terms carefully chosen and formulated in the Camp David documents.

Precisely at the time he needs all the support he can muster from within, he causes a turmoil that carries no possible benefit either to himself, or to the United States or to the diplomatic efforts in the Middle East.

When President Carter first declared the need to have a homeland for the Palestinians, which he did at the conference in Clinton, Massachusetts, in March 1977, none of his top advisers on Middle Eastern affairs knew that he had entertained such a thought. The idea was never raised or discussed among the men who prepared the scenarios of various possible policies. The first time they heard about it was when they opened their papers the morning after.

Carter will no doubt provide some sort of explanation for this change, and his aids will run around the entire country trying to defend their boss and to clothe his ignorance and the poverty of language and thought he has demonstrated with what appears to be logic. Israel will be furious, the Jews will remonstrate half-heartedly, but this storm, like others before it, will ultimately calm down. This latest episode is simply additional proof that President Carter is incurable, no matter how much time he spends at Camp David or how many hours he confers with the most important of his advisers--his wife, Rosalynn.

Concluding his great speech after descending from Camp David, President Carter suggested that his countrymen not complain too much. Instead, he said, they should say something good about America. A caricaturist drew a couple sitting and listening to the President. At the end of the speech, the wife tells her husband: "I would like to say something good about America: Thank God we have elections next year."

With each day that passes, with each clumsy slip of Carter's tongue, he strengthens the feeling that this is really the only good thing that can be said about America for as long as he is in the White House.

CSO: 4805

ISRAEL

BRIEFS

BEGIN'S POPULARITY LOW--Prime Minister Menahem Begin's popularity continues to be low. The popularity of Foreign Minister Moshe Dayan rose considerably and Defense Minister 'Ezer Weizman continues to be the most popular among the senior Likud Cabinet members--the findings of a cross-country Pori Institute opinion Poll held in July at the behest of HA'ARETZ indicate. Of those polled, 43 percent are now satisfied with Mr Begin as prime minister, as against 60 percent who were satisfied with him in July last year, and 40.6 percent satisfied with him last month. Fifty-five percent are now satisfied with Moshe Dayan as foreign minister, compared with 46.6 percent who were satisfied with him last month, an 8.4 percent increase in Moshe Dayan's popularity. Concerning 'Ezer Weizman as defense minister 61.4 percent are satisfied now, a percentage similar to that of June (61.8) and he continues to be the most popular minister in the Likud Cabinet. Finance Minister Simha Ehrlich's popularity continues to be very low, with 75.8 percent dissatisfied now with the finance minister, similar to the percentage dissatisfied with him last month. Only 8 percent of the entire public are satisfied with Simha Ehrlich as finance minister. The poll encompassed a representative cross-section of 1,200 men and women interviewed at their homes throughout the country. [Text] [Tel Aviv HA'ARETZ in Hebrew 1 Aug 79 p 1 TA]

CSO: 4805

JORDAN

BRIEFS

CABINET CHANGES EXPECTED--Kuwait, 4 August--The Kuwaiti newspaper AL-QABAS quotes responsible Jordanian officials as saying that a cabinet reshuffle will take place in Jordan in September, in line with the coming stage. The sources added that the strongest candidate for the new cabinet's prime minister are Ahmad al-Lawzi and Zayd al-Rifa'i. The reshuffle will involve the majority of the present ministers. The sources stressed that the new Jordanian cabinet will include senior Jordanian politicians. [Text] [Doha QNA in Arabic 0900 GMT 4 Aug 79 JN]

CSO: 4802

STATISTICS ON SOME ARMED GROUPS IN LEBANON

Paris AL-NAHAR ARAB REPORT & MEMO in English 23 Jul 79 p 5

[Excerpt] The proliferation of armed groups in Lebanon is well illustrated by a list of militias provided recently for parliamentarians belonging to the Council of Europe. It is admittedly only an estimate and it is by no means exhaustive. In addition, it lists only full-time militias and does not take into account the vast number of Lebanese who possess weapons. The list reads:

Christian militias:

Phalange: 7,000 men

National Liberal Party: 2,000 to 2,500

Tanzim (Maronite League): 500

Guardians of the Cedars: 500

Marada: 2,000 to 3,000

Muslim and left-wing militias:

Mourabitoun (Nasserites): 3,000 to 4,000

Progressive Socialist Party: 2,000

National Social Popular Party (pro-Syrian): about 2,000

Palestinian militias:

Fatah: 15,000

Saiqa (pro-Syrian): 4,000 to 5,000

Democratic Front for the Liberation of Palestine: 1,500

Popular Front for the Liberation of Palestine: 1,500 to 2,000

CSO: 4820

LEBANON

BRIEFS

MAJOR HADDAD REPORTEDLY WOUNDED--Paris, 4 Aug (AFP)--Major Sa'd Haddad, head of the Christian militia in south Lebanon, is in the hospital in Haifa, Israel, after being wounded last week in an assassination bid by bomb, the Paris-published Arab-language weekly AL-NAHAR AL-'ARABI WA AL-DUWALI reported today. The weekly said that because of the attack, Major Haddad has decided to establish himself permanently in Israel with his family. It was the fifth assassination attempt against him from the ranks of his own ostensible supporters in three years, the weekly added. It said the latest assassination bid in Rumaysh, south Lebanon, came after increasing friction among the different militia factions sharing out the control [as received] to the Christian enclave in south Lebanon. These have for some time shown a strong inclination to link up with the Lebanese regular army. According to the weekly, the army commander told the non-commissioned officers and men of the Christian enclave that he was ready to revoke his decision to stop paying their wages on condition that they ended the illegal situation which they were in. [Text] [Paris AFP in English 1546 GMT 4 Aug 79 NC]

CSO: 4820

LIBYA

BRIEFS

RELATIONS WITH USSR STRAINED--Well-informed diplomatic sources have said that relations between Libya and the Soviet Union have become strained. The sources pointed out that for a long time no prominent Libyan official has visited the Soviet Union, nor has a Soviet official visited Libya. The sources added that the Soviet Union recently refused to supply Libya with certain types of sophisticated weapons it had asked for, including a missile deal to strengthen the Palestinian resistance in Southern Lebanon against Israeli air raids. The Soviets have also refused to sell other types of weapons because they believe that Syria is seeking them through Libya following the refusal to deliver such weapons to Syria directly. The sources spoke about a number of incidents that have caused tension between Soviet advisers in Libya and a number of Libyan officers and officials. The sources believe that the Soviets do not view with satisfaction the Libyan role in Uganda and Chad, which is the reason for refusing Libya's requests for arms. [Text] [Kuwait AL-RA'Y AL-'AMM in Arabic 1 Aug 79 p 1 LD]

DEATH OF CZECH PILOTS REPORTED--Prague--MENA--It was strongly rumored in Prague that Czechoslovakia recently received the bodies of 12 Czech pilots who were flying Czech training planes which Libya received recently. The reports from Prague say that they were killed as a result of an aviation accident and that it is likely that a number of Libyan pilots were also killed in the incident. [Text] [Cairo AL-AKHBAR in Arabic 30 Jul 79 p 1 LD]

CSO: 4802

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BULGARIAN DAILY INTERVIEWS DELEGATION'S LEADER

Sofia OTECHESTVEN FRONT in Bulgarian 12 Jul 79 p 2 AU

[Interview with Mahmud al-Madhi, member of the Central Committee of the Socialist Party of Yemen and chairman of the Economic Commission of the PDRY Supreme People's Council, by Angel Andreevski, OTECHESTVEN FRONT representative]

[Text] A delegation of the presidium of the PDRY Supreme Council visited Bulgaria at the invitation of the Bulgarian National Assembly and was acquainted with the activity of our parliament and the organs of municipal authority. Angel Andreevski, representative of the newspaper, met with Mahmud al-Madhi, leader of the delegation, member of the Central Committee of the Socialist Party of Yemen, and chairman of the PDRY Supreme People's Council's Economic Commission, and had a talk with him.

Question: How do you evaluate the relations between the two countries after the visits to the PDRY by Todor Zhivkov, BCP Central Committee first secretary and State Council chairman, and the visit of 'Abd-al-Fattah Isma'il, secretary general of the Socialist Party of Yemen and chairman of the PDRY Presidential Council, to Bulgaria?

Answer: The relations between the People's Republic of Bulgaria and the PDRY are constantly developing in an ascending line, the high guest stressed. The two countries' parties and governments hold identical positions in the struggle against imperialism. The exchange of visits between the leaders of the two countries and parties comrades Todor Zhivkov and 'Abd-al-Fattah Isma'il created even better prospects for developing our bilateral relations. The agreements and documents signed during these visits envisage sincere assistance in the areas of agriculture, industry, trade, tourism, and so forth, to be rendered to our country by Bulgaria. This will contribute to the development of our national economy. That is why the Yemeni people highly value the assistance rendered by the People's Republic of Bulgaria and the other socialist community countries, led by the friendly USSR.

Our delegation's visit to Bulgaria is yet another proof of the constant development of the relations between our peoples, parties and governments.

Question: The OTECHESTVEN FRONT readers will be interested to learn how the Yemeni people oppose imperialism's intrigues aimed at perpetuating the people's division?

Answer: Yemen always has been one country. Imperialism's plots and the long English occupation caused the division of the country into two parts: the northern part under a theological regime of Imams, and a southern part under the British colonial power. The goal of the Yemeni people's struggle in the two parts was the liberation from the rule of the Imams and British colonialism and the unification of the country. The victory of the 26 September 1962 revolution in the northern part, as well as the victory of the 14 October 1963 revolution in the southern part were preconditions for achieving Yemen's unity as a people and territory. This is the goal of the progressive forces from the two sides of the border.

However, the imperialist reactionary forces, fearing the implementation of the Yemeni unification, increased their plots and acts and caused military conflicts between Yemen's two parts, such as the conflict of February 1979. These attempts failed after the signing of the 30 March 1979 agreement between the presidents of the two countries in Kuwait. The agreement envisages the preparation of a provisional plan on the unification of Yemen.

Question: Tell us about the work of Yemen's first parliament.

Answer: The PDRY's first Supreme People's Council is the only organ entitled to issue laws, adopt the constitution, amend it, adopt plans on the country's socioeconomic development, and determine or change the country's budget. Through its laws the Supreme People's Council organizes the bases of the working relations, social security, ownership principles and tenets, and the citizens' civil and trade relations. In other words, it determines the most important issues of our country's political, economic, social and cultural development, and is inspired in its legislative activity by the program and policy of the Socialist Party of Yemen--the ideological leader of the state and society.

The Supreme People's Council, its permanent commissions, and organs exercise strict control over the various activities. This is done in order to guarantee the direction of all efforts and possibilities toward implementing a broad development of the country's material and spiritual life. The Supreme People's Council plans the development of the national economy on the basis of scientific socialism, constantly supporting the development of various sectors of the national economy, with the aim of satisfying the people's needs, securing the just division of the social wealth, and fully applying the principle "from each according to his ability, and to each according to his work."

The creation of the Supreme People's Council in our country on the basis of general, free, equal, and direct elections, which took place by the end of last year, as well as the first congress of the Socialist Party of Yemen,

armed with the workers' class ideology, were an important stage of Yemen's comprehensive development and marked the beginning of the transforming of the government's character and creating the people's democracy.

Now we are working at a high pace in order to turn the PDRY parliament into a really people's organ and to achieve victory in our comprehensive struggle under the banner of liberation, democracy, socialism and peace throughout the world.

CSO: 4802

SAUDI ARABIA

LONDON PAPER SAYS U.S. SEEKING SAUDI SUPPORT FOR PEACE EFFORTS

London AL-SHARQ AL-AWSAT in Arabic 25 Jul 79 p 1 LD

[AL-SHARQ AL-AWSAT Bureau Report]

[Excerpt] Washington—Well-informed sources said here today that the United States has launched new efforts to win Saudi Arabia's support for the U.S. peace efforts in the Middle East by drafting new proposals that would give significant priority to solving the question of Jerusalem.

The full details of the U.S. proposals regarding the future status of the Holy City have not yet been disclosed but it is being said that the proposals provide for strong Arab control over eastern Jerusalem.

The sources said that the aim of these proposals is to encourage the "friendly" Arab countries to play a greater role in the peace efforts.

U.S. policy planners are hoping that the new proposals will encourage the Arab parties concerned with the Middle East conflict, particularly Jordan and probably the PLO, to join the negotiations.

Robert Strauss, chief negotiator on behalf of President Carter, hinted at this Monday evening during a reception given in honor of Saudi Minister of Industry and Electric Power Dr Ghazi al-Qusaybi, who is currently visiting Washington.

Strauss told an AL-SHARQ AL-AWSAT correspondent during the reception given by Saudi ambassador in Washington Shaykh Faysal al-Hujaylan, that "We would like to find an Arab state to help us in our peace efforts." Strauss said that "problems" have arisen in the Egyptian-Israeli negotiations on Palestinian autonomy. He said: While we do not attribute the emergence of these difficulties to Israel "these problems do not exist because of Egypt."

Strauss added: "We have reached a stage at which peace cannot be achieved without a solution to the Palestinian problem."

Asked if such a solution involves the PLO, Strauss said "We are interested in the Palestinian people." He declined to explain further the meaning of this phrase.

Well-informed sources said that Strauss and several other senior officials of the Carter administration have now come to the conclusion that Jerusalem could be the key to the crisis of the deadlocked negotiations and could lead to a broadening of negotiations. It is being said that these officials believe that a serious U.S. effort to determine the question of Jerusalem is a thorny problem that could lead to improved Arab confidence in U.S. intentions.

However, certain sources are pessimistic about pursuing this line. A former official described the initiative on Jerusalem as "the tempting carrot--just as Sinai was to Egypt." The former official said that the initiative "might fail if the United States is unable to convince Israel to talk about Jerusalem."

CSO: 4802

EDITOR SEES INSULT IN U.S. ANNOUNCEMENT OF THREAT TO STRAITS

Jiddah ARAB NEWS in English 24 Jul 79 p 6

[Editorial: "An Astounding Step"]

[Text]

The United States last week took the unprecedented and astounding step of announcing that a group of terrorists would hijack or sink an oil tanker in the Straits of Hormuz at the entrance to the Gulf on July 22 or 23.

Did the U.S. need such an attack to justify intervention in the region on which it depends for much of its imported oil supplies?

If the intention was to imply that the Palestinians would do it to spite the Americans, then the exercise was futile.

The Palestinians would not do anything that would hurt the oil states on which the PLO and the frontline Arab states depend heavily for financial backing. Nor would a self-respecting Arab or Muslim sabotage those Muslim states' vital line of communications and their only oil outlet.

Such statements, made by presumably responsible officials, merely serve to stimulate some sick minds to such an operation, telling them it would be immensely sensational, whatever the damage that it may do the rest of mankind.

If the United States seeks a foothold in the region, it does not have to resort to such theatraclals and scare tactics. American warships are based in Bahrain already and the Sultanate of Oman openly seeks American support to counterbalance that of the Soviet Union to South Yemen. So what was the purpose of the whole exercise?

It has served one end that the United States could not have sought, and that is to cast doubt on the security of the Gulf region and the ability of its littoral states to protect it from subversion.

It has reminded those who would not otherwise have known that it is possible to block the Hormuz Straits by blowing up one or two tankers just for the heck of it or to hurt the United States, Japan and Western Europe.

The Arabs and Iran would not be too badly affected. They have enough money to survive until the Strait is cleared. But there will be a lot more gasoline queues somewhere else.

What have the officials who made the statement left the fiction writers of "The Crash of 1979," "The Pirate" and "The Oil Sheiks?" How will they make a living now?

SAUDI ARABIA

CONSCRIPTION PLAN TO BE CAREFULLY CONSIDERED

Jiddah ARAB NEWS in English 22 Jul 79 p 2

[Excerpt]

TAIF, July 21 — Minister of Defense and Aviation Prince Sultan said Saturday that the Council of Ministers is still studying his ministry's plans for the introduction of compulsory military service.

He said that the plan requires careful consideration so that it may be successful.

He was speaking at the passing-out parade of four classes of officers and men from the signals' school here. He also said he was gratified by the increasing numbers of young Saudi men joining the armed forces voluntarily. It is "a real service to the country."

In April Prince Sultan said in a statement to "Al-Nadwa," that he hoped conscription would be introduced this Ramadan, which is due to start on Wednesday.

Last month Prince Sultan said that once the program for conscription had been submitted to King Khaled, the system would be introduced in a few weeks. In a statement to the Eastern Province newspaper "Al-Yom", he said he was confident that Saudi youths would "welcome the opportunity to serve the Arab and Muslim people."

Conscription would be a power-

ful backing for the armed forces.

General Othman Al-Humaid, the armed forces chief-of-staff, said last month that conscription would be universal, with no able-bodied young man exempted from military service. He added that conscription was not unusual, as many countries enforce it as a national obligation, and "Islam considers Jihad (holy war) the duty of every capable Muslim."

Prince Sultan said in April, in an interview with "Al-Medina," that conscription would above all serve Islam, and it was inevitable. The government was determined to introduce it.

Men between 18 and 35 would be liable for a call-up; the minister had wished that he could use the potential of every individual in the Kingdom to serve the armed forces, but it would clearly be impractical to take too many people away from their other work.

At the time he said that the Council of Ministers was examining how the services would be developed under the next Five-year Plan, which comes into effect next year, and the continued study of conscription is presumably an aspect of the Council's deliberations.

CSO: 4820

AGRICULTURAL CREDIT BANK LOANS MILLIONS

Jiddah ARAB NEWS in English 14 Jul 79 p 2

[Text]

The Agricultural Credit Bank, a government body that helps farmers and fishermen, made 20,298 loans totalling SR585,668,268 in financial year that ended in June 1978.

The bank's annual report for the year, published Thursday, said that was an increase in lending of 20 per cent over the previous year's total. The loans paid for machinery and equipment.

The report also said that the capital of the bank had been increased by SR400 million to SR1,438 million.

Farmers alone received assistance amounting to SR41,572,941 over the year, a 33.3 per cent increase over the year before. The report added that 68.8 per cent of the SR225,200,934 due for repayment was returned to the bank by borrowers.

In the year new regulations were issued to simplify office procedures involved in applying for and being granted a loan, and loan terms were reformed.

The report said that 3,572 short term loans, or 18 per cent of the total lending, were made to farmers. They accounted for SR43,713,341, or 7.5 per cent of the total.

Most of the short term loans were extended by the Jeddah branch of the bank to buy animal feed and to finance the monthly pooled irrigation in Qunfuzah.

Hofuf, Kharj and Buraidah

gave out more loans in response to an increased demand for money to cover workers' pay and animal feed.

The Jizan branch gave more loans for spice and grain farming, affected by seasonal flooding.

Medium term lending made up the greatest part of the bank's activities. They are extended to finance investment in agriculture and to pay for the basic needs of mechanization.

They showed a 15 per cent increase over the previous year, amounting to SR541,954,927 in loans to 16,726 borrowers.

An increase in demand for medium term financing was particularly noticed in the Kharj, Jeddah, Abha, Medina, Tabuk, Hail, Jouf and Jizan branches of the bank. In Kharj the move to medium term borrowing was most marked. That branch made 17 per cent of the total, costing SR42,321,193, mainly because of 13 large agricultural projects in its catchment area.

Buraidah followed, giving 15.6 per cent of the medium loans, with Jeddah next at 14.7 per cent, Riyadh at 12.5 and Medina at 10.6.

The bank's 52 local offices, distributed in villages and other outlying areas, lent more than SR10 million.

The report makes the point that the bank had tried during the year covered and the year before to devolve authority to the local

offices, giving them more flexibility and independence and reducing the administrative burden placed on the branch offices in control of them. Local offices are now treated as responsible for studying, approving and satisfying loan applicants.

In the middle of 1976 the bank launched the experiment of giving local offices in Hofuf, Qatif, Hafr Al-Baten, Taif, Buraidah, Unaizah, Riyadh, Zalfa, Wadi Dawasir, Baha and Bisha full authority in accounting and administrative affairs in their districts.

During the year covered by the report, the bank paid for 10,383 irrigation machines and 7,336 pumps, as well as 233 tractors, 1,216 bulldozers, 75 earth-movers 33 excavators, 144 combine harvesters, 29 milk tankers and 61 spray vehicles.

The bank's loans bought for farmers 958 vehicles, 34,630 goats and camels and 38,084 tons of chicken feed.

Honey producers in the Shabein area, served by the Abha branch, were provided with 1,358 bee hives.

Fishermen in coastal areas covered by the Jizan, Hofuf, Medina, Jeddah and Tabuk branches were bought equipment. One hundred projects were financed in chicken, dairy, livestock farming and marketing.

SAUDI ARABIA

TAIWAN TO ASSIST RURAL ELECTRIFICATION PROJECT

Jiddah ARAB NEWS in English 10 Jul 79 p 2

[Text]

TAIPEI, July 9 — Taiwan Power Co. and the General Electricity Organization Saturday signed a memorandum under which Taipower will send 240 technicians to the Kingdom to help operate and maintain a power plant and its transmission system in the Baha district, the China News Agency reported Monday.

L. K. Chen, chairman of Taipower, and Mahmoud Taybah, governor of the General Electricity Organization, signed the memorandum. A formal pact is expected to be signed in Saudi Arabia shortly.

The thermal power plant built by Taipower is part of a \$ 752 million rural electrification project. It has an installed capacity of 60,000 kilowatts, covering a service area of 1,000 square kilometers.

Construction began in October 1977. Up to now two generating units each with a capacity of 5,000 kilowatts have become operational. Another five units, each with a capacity of 10,000 kilowatts, are expected to be completed at the end of this year, four months ahead of schedule.

The 240 technicians will work in the Baha district under a two-year

contract.

At the signing ceremony, Taybah expressed his hope that Taipower and his organization would continue to cooperate in the Saudi power development.

He said the Saudi authorities were satisfied with Taipower's performance in helping the Kingdom build the plant.

Taybah also spoke highly of Taipower's contribution to power projects in Riyadh.

He arrived in Taipei Tuesday (July 3, 1979) for a week visit. He is accompanied by his wife and a party of five.

The Baha rural electrification schemes was one of four projects for which tenders were cancelled in the first half of 1977 because of allegedly inflated bids. Minister of Industry and Electricity Dr. Ghazi Algosaibi said recently that they were afterwards awarded for less than half the original costs.

In 1977 Dr. Algosaibi canceled the bids from international firms and went straight to companies from outside the industrialized countries. Taipower was given the Baha project and the Pakistan National Power Construction Corporation the Al-Kharj scheme.

CSO: 4820

BIDS TO BE TAKEN FOR DESALINATION PROJECTS

Jiddah ARAB NEWS in English 9 Jul 79 p 2

[Text]

Jeddah, July 8 — The Saline Water Conversion Corporation, which already has SR 8 billion in desalination work under way, will invite tenders for a number of projects this year including the massive second phase of the Jubail desalination program.

Water from plants at the Jubail industrial site will be piped over 500 kilometers across the Dahna to supply Riyadh with 175 million gallons a day. Tenders for the plants and the pipeline will be announced this financial year, according to SWCC Deputy Governor Essam Jamjoom.

Jamjoom also said that Minister of Agriculture and Water Dr. Abdul Rahman Al-Sheikh was to open the second phase of the SR75 million Wejh desalination plant Sunday. It will produce 120,000 gallons a day of fresh water.

Other desalination projects to go out for tender this year are:

— the second phase of the Al-Khafji project, with capacity of 5 mgd.

— pipelines and centers for mixing well and desalinated water in the east. These will increase Eastern Province supplies by 50 mgd.

— a small plant to supply the Red Sea town of Rabegh.

Work is also expected to begin on the second phase of the Al-Khobar plant. A contract for the 50 mgd facility was signed earlier this year.

In addition, the SWCC has commissioned studies for five projects on the Gulf and sea coasts and these are likely to go into ser-

vice from 1982, Jamjoom said.

Of these the largest is Al-Khobar III, with capacity of 40 mgd. Smaller scheme will supply the Red Sea towns of Haql with 1.5 mgd (Haql III); Duda with 1 mgd (Duba III); Lith with 150,000 mgd and Umm Lej with 1 mgd.

Of the projects now under way, representing a total investment of SR8 billion, Jeddah takes the largest share. Jeddah 111, providing 20 mgd at a cost of SR1.7 billion, is under experimental operation while the SR2.51 billion, Jeddah IV, with 50 mgd, is expected to go into service at the end of next year.

Other schemes completed or nearing completion are:

— a 132,000 gd, SR40.96 million plant in the Farasan Islands

— the SR43 million, 120,000 gd Haql 11

— rush plants at Khafji

— an SR1.233 billion plant at Yanbu to supply the port and the town of Medina via an SR402.9 million pipeline

— and the first phase of the Jubail project, which will provide 30 mgd at a cost of SR2 billion.

While all these projects use the Multi-stage Flash condensation process, the SWCC has also commissioned an experimental 3.5 mgd plant in Jeddah using Reverse Osmosis membrane technology.

SAUDI ARABIA

REDEC HANDLES BILLIONS IN MYRIAD OF PROJECTS; REDEC CHIEF INTERVIEWED

Optimistic Despite Slowdown

Jiddah SAUDI BUSINESS in English 19-25 Jul 79 pp 8-10

[Article by Jim Landers]

[Text]

Foreign contractors and even a few Saudi businessmen have been strung recently by delayed payments for government projects. Despite the evidence of record spending levels and budgets, there is more and more talk of how the pace of development in the Kingdom has slowed down. Construction contracts are now awarded in a hotly competitive market, with far less gravy in the bids and the consequent inflation that comes with it. Rumors buzz throughout the business scene of a flight of capital, and the disillusioned entrepreneur is no longer a rare species in Saudi Arabia.

In stark contrast to this doleful scenario stands Dr. Ghaith Rashad Pharaon, the world's best known Saudi entrepreneur. Pharaon, and the huge corporation he heads, remains bullish on Arabia.

"There is more talk than real action in terms of any flight of capital, in spite of the fact that the government has constrained construction because of inflation here," Pharaon says. "The best climate for investment is still very much in this country. Also the best return for investment."

There is a clear strain of national pride in Ghaith Pharaon.

The overwhelming success and ambitious new undertakings of his Saudi Research and Development Corporation (Redec), however, point up the fact that more than patriotism fuels this largest of Saudi Arabia's corporations.

In a two-hour interview last week with "Saudi Business" at Redec's new SR70 million corporate headquarters in Jeddah, Pharaon could give no more than a thumbnail sketch of Redec's many projects and activities. It would take days to cover them all, and a book to hold them on paper. In cement, construction, hotels and foodstuffs, in transportation, insurance, pharmaceuticals and much more, Redec's career in Saudi Arabia unfolds like a companion to the government's five year development plan.

Pharaon is coy about releasing figures, but when asked about Redec's annual turnover, he will say, "I can tell you it is in excess of SR4 billion." And there is no sign that Redec is slowing down.

Pharaon declares that, by November of 1980, Redec will have slashed the price of food in Saudi Arabia by 40 per cent through a SR250 million system of cold storage centers spread throughout the Kingdom.

Work has begun on the construction of 10,000-ton capacity cold storage warehouses in Jeddah, Riyadh and Dammam. Thirteen smaller warehouses "from Tabuk to Jizan, Abha to Jubail" will round out the system as satellites reaching into the Kingdom's agricultural areas.

Refrigerated trucks will link the warehouses, much as they now link Redec's school lunch program, which provides 100 million meals a year to schools across the Kingdom. The three warehouses in the country's main cities will enable Redec to import foods by the shipload rather than in containers.

"The savings will be tremendous in shipping costs alone," Pharaon says. "And because we will be using smaller cold storage warehouses in the agricultural centers, we will be better able to get locally grown foods to market. In Jizan, tomatoes during the harvest season sell for 20 kilograms to the riyal, because they have no nationwide distribution system. We can do it."

"Mark my words. In one year — October 1979 to November 1980 — we will bring food costs by 40 per cent."

Pharaon scoffs at talk of a slow-

down in construction by describing his cement-importing operations. Together, the import centers are expected to discharge almost five million tons of cement this year — more than the Kingdom's entire annual cement production. It is an enterprise worth more than SR 1 billion a year that elicits from Pharaon, "We are the largest movers of cement in the world."

"Our Jeddah cement plant discharged 800,000 tons last year. This year it will be two million tons. In Yanbu, in 1979, we'll discharge one million tons. Our Jizan facility has a capacity for 1.5 million tons a year. In its first full year it will handle 750,000 tons. Our plant in the Eastern Province — one million tons."

Redec is moving aggressively in the hotel field, pulling together the many strands of investment activities in the United States and Saudi Arabia that gives the corporation control over the product from foundation stone to management. Redec hotels are going up in Jeddah, Abha, Jizan, Yanbu, Obhur and Riyadh. Four of them will probably be managed by Hyatt International, the luxury-class hotel chain based in Chicago. Interedec (USA) Inc., the American arm of the firm, acquired a 15 per cent interest in Hyatt earlier this year.

Redec has taken a 15 per cent interest in the rolling mill that will be part of the integrated Saudi Iron and Steel Complex in Jubail. The mill will transform 850,000 tons a year of steel billets manufactured at the complex into steel rebars used in concrete construction.

The Saudi Automotive Corporation, the Redec outside joint venture (Ward Industries USA) company manufacturing buses at a plant outside Mecca, has started operations with an order for 600 pilgrimage buses and a ringing endorsement from the Ministry of Industry and Electricity that assures a steady stream of orders

from the Ministry of Education as well.

"Safa," the Mecca-based water bottled by Redec, has also turned out as an industrial bonanza. "I don't care what anybody says about "Safa," we started with 3,000 cases a day, we're at 10,000 cases a day now and I haven't got a single case in storage," Pharaon says.

In April, Redec's offshore insurance company — United Commercial Agencies — landed the world's biggest brokerage package ever offered. The Royal Commission for Jubail and Yanbu awarded a consortium of United Commercial and the U.S. firm Alexander and Alexander Inc. the contract for placement of \$ 35 billion in coverage for the Kingdom's twin industrial cities.

The Saudi Maritime Transport Company, a Redec subsidiary, is buying one liner until recently operated on lease and is bringing in a second vessel as part of a program to attract Westerners working in the Kingdom to short pleasure cruises. The company is also looking at the possibilities for Red Sea tourism from Europe and the United States. In June, Saudi Maritime Transport opened a line to Aden, Muscat and Karachi on top of its present route to Aqaba and Suez.

Redec continues to be a strong force in engineering and general construction. Two-thirds of the corporation's 19,000 employees work on the construction side and still account for the lion's share of Redec's annual turnover.

Redec is building a sewage system for Dammam at a price of SR922 million. It is building a SR768 million stormwater drainage system for Mecca with the Construction and Development Corporation of the Philippines (CDCP). Redec / Daelim, a joint venture with the large Korean contractor, is a major subcontractor in the Kingdom's mammoth gas-gathering program in the Eastern Province, additional work

underway at the University of Petroleum and Minerals in Dhahran and student housing for King Abdul Aziz University in Jeddah. Another Redec joint venture, this time with the Italian construction firm Vianini, is finishing a SR142 million irrigation project covering a 3,000-hectare agricultural scheme in Jizan.

Pharaon is particularly bullish about construction in Saudi Arabia, although it is the one area where he reserves the most complaints about the government.

He sees continued big opportunities for Redec and other Saudi companies in the future.

"Look at cement," he says. "We discharge in Jeddah the equivalent of all the cement produced in the Kingdom, and we are still unable to meet the demand. In Jizan, we are unable to meet the demand. In Yanbu, we are unable to meet the demand."

"This is because the people are putting down their roots, in buildings of stone and mortar. You can see this in the indicators for the economy, in housing."

But Redec is apparently still smarting over its failure to make the list of firms invited to bid on the Riyadh University construction contract, a plan that was envisaged to cost as much as \$4 billion. Of the twenty consortia that prequalified for the job, Redec's effort ranked eighth. The list of invited bids stopped at six.

"Don't you think that, since it's a job in Saudi Arabia, they might invite a Saudi company, especially one that ranked eight in a list of 20?" Pharaon asks.

Supporting Saudi contractors makes good business sense, Pharaon feels. The experience gathered through such contracts stay in the Kingdom instead of winding up on a plane or ship headed abroad. The equipment, operators and ability to mobilize also remains at home, a point Pharaon makes clear in his narration of an incident that took place during Hajj three years ago.

"Look at what happened in the cholera outbreak in Mecca," he says. "Who went in there to clean up every drop of water in the city? Redec. We worked that job 24 hours a day. The ministry called and said, 'We'll give you a week to clean up the city.' So we did. We brought in all of our equipment from Jeddah, from Medina and Mecca. When we finished, we went to the government and said, 'What do you think it's worth?' So they paid us that, and that was the end of it. Would a foreign contractor do that?"

Redec's many operations display two distinct organizational themes: integrated activities among the many subsidiaries, and an active interest in pursuing through the private sector many of the goals of Saudi Arabia's development planning.

The first theme is well illustrated through Redec's hotel activities.

In an interview with "Saudi Business" early last year, Pharaon disclosed that one of his U.S. acquisitions was International Systems Inc. (ISI) of Mobile, Alabama.

ISI manufactures prefabricated hotel rooms. The room module is pre-cast in concrete, and all internal fittings such as electrical wiring, plumbing, tiles, curtains and carpets are installed in the Mobile Factory.

The modules are then shipped as individual containers to Redec's hotel projects on a specially converted container ship.

The system has served Redec well at its hotels in Yanbu and Jeddah, which are scheduled to open this year.

The Redec integration process does not stop there, however. At Yanbu, for example, Redec is the Saudi partner for the Ralph M. Parsons Company of the United States, which is the project manager for the Yanbu Industrial Complex. Saudi Arabian Parsons Ltd. will probably be involved with the new city's development until the turn of the century, which leaves Redec in an excellent position for lining up other work at the complex. A hotel is just one aspect of this.

The Yanbu hotel will be a Hyatt Regency, joining the Hyatt International chain of hotels managed around the world.

In Jizan, Redec's hotel — the first for the southern city — is only one of Redec's activities there. "We have confidence in Jizan as the southern door of Arabia," Pharaon says. The hotel will be managed by another Redec company, the Sands Hotel Corporation. Sands was a Lebanese firm acquired by Pharaon to manage the new Sands Hotel in Jeddah. It will also manage Redec's Abha hotel.

Redec is building a 450-room hotel in Gambia, and appears ready to sign with the Tunisian National Tourism Office (ONTT) for two large hotel/resort complexes in Tunisia. Pharaon was ironing out the final details of the two schemes with Tunisian officials last week. The larger of the two would be built at Tunis Nor's new tourism complex and would include another 500 apartments and hotel space for 200 beds.

The integration process coincides with a gradual change in Redec to a diverse holding company, a process which has been underway for some time.

"A holding company is better from an organizational standpoint," Pharaon says. "The reason Redec is a holding company is because of our limited managerial resources. We prefer to act as a limited holding group rather than oversee everything directly... Independent affiliates act better than conglomerates."

Redec's interest in Saudi Arabia's development plans is apparent in its many diverse activities across the Kingdom. A primary goal, the bottom line in a sense, for the plans is to wean the Saudi economy away from its reliance on oil exports. Pharaon, who earned his Ph.D. in petroleum engineering, is well aware of the problem. So Redec is involved in the gas-gathering program, the centerpiece of Saudi Arabia's hydrocarbon industrialization plan. Redec is involved in the Jubail Iron and Steel Complex. It is a partner in the management of Yanbu. It has started industries in the Kingdom making chemical urethane for mattresses and insulation, retreaded tires, buses, bottled water and pharmaceuticals.

In 1977, the Industrial Studies and Development Center published a report showing that there would be a critical need for cold storage capacity in the Kingdom in the period after 1980. At that time, there were no storage areas in the Kingdom's agricultural regions, which led to "drastic price variations on a daily and seasonal basis" for Saudi-grown foods.

The study encouraged Saudi businessmen to get involved in cold storage warehouses. "Such a course of action promises to pay large dividends if forecasts for the period after 1980 are accurate," the study concluded. In 1985, Saudi Arabia is expected to import 73,564 tons of frozen food and 745,682 tons of cold storage food."

Redec heeded the advice, and what's good for Saudi Arabia is also apparently going to be very good for Redec.

Pharaon gives the Saudi Food and Supermarkets Company, the Redec firm handling the cold storage program, five years to reach a turnover of SR2 billion.

One of the crucial elements for the 1980-1985 five year plan will be manpower development, and Planning Minister Sheikh Hisham Nazer has already made it apparent that the private sector will have a larger role to play in this area.

Redec, Pharaon says, has trouble attracting Saudi employees because of competition from the government's civil service. Only one-tenth of the corporation's 19,000 workers are Saudi nationals. But the atmosphere is changing.

"Today, many young men are doing very, very well," Pharaon, who is only 39 himself, says. "Slowly they are beginning to see it (the private sector companies) as something where they can go."

Redec concentrates its own program of training and benefits for Saudi workers on the managerial side ("On the job training on a construction site, it's just not suitable for a Saudi"). All Redec employees are provided with a free lunch. There is a bonus system as a productivity incentive of up to three months' pay. Redec will send its Saudi employees anxious to move up the corporate hierarchy to school to learn English, though Pharaon sees no reason to send them abroad for university studies. ("The universities in this country are perfectly adequate," he says. "If he wants to go to a university abroad he just wants to go abroad.")

At the Redec Plaza, a twin tower office center in Jeddah with two floors of luxury goods stores, Redec's employees have been given the shops to lease as they see fit. The only obligation, Pharaon says, is that they maintain "a certain standard of elegance."

Redec has had good luck in holding its Saudi employees as well. Those who have left, Pharaon says, have done so with the "corporation's blessing" to start in business for themselves. One former employee now operates the trucking group that handles distribution for Redec's school lunch program.

As Pharaon himself is the first to admit, much, much more remains to be done, both by Redec and other Saudi companies. But his optimism about the future of Saudi Arabia seems unshakable.

"Saudi Arabia represents unlimited opportunity," he declares. The field is open."

Interview With Pharaon

Jiddah SAUDI BUSINESS in English 19-25 Jul 79 p 9

[Interview with Ghaith Rashad Pharaon, head of Saudi Research and Development Corp., by Jim Landers, date and place not given]

[Text] In addition to descriptions of the role of Redec in Saudi business, Dr Pharaon had several observations on the general climate of investment and development in Saudi Arabia. Excerpts:

[Question] Many of Saudi Arabia's natural religious and political allies--we are thinking of Tunisia, Pakistan, Bangladesh, North Yemen and so on--complain about Saudi businessmen investing their money in the United States and Europe rather than in their countries. What do you say to that?

[Answer] To say that a Saudi businessman prefers the U.S. or Europe is totally wrong. His first preference is Saudi Arabia, and then his neighbouring countries where he has cultural roots, countries that maintain the same cultural conditions. But these countries must make streamlined permissions and permit systems, clear laws and taxes. Benefits must be clearly spelled out, and I don't mean just these booklets that are published. Many projects start with one of these nice brochures and then never get anywhere.

[Question] What about Egypt--with the peace treaty, are you changing your outlook?

[Answer] We ourselves have never invested in Egypt, because of the bureaucracy there. So the treaty made no difference.

[Question] What is your personal view about development in the Kingdom?

[Answer] I personally believe we're headed in the right direction. The government is working from the standpoint of being concerned for the welfare of future generations. Some people might complain and say it's a backward, or primitive, policy on the part of the government, but that's not true. It may not be at the pace that many of us would like. But it is the right pace for the nation. It's like the general in his jeep. If he speeds ahead of the troops, he'll get massacred alone.

Everybody knows that this year's budget was a deficit, but now because of the surplus from the oil-price increases, it isn't. The slowdown the government has made is to catch up.

Our industries are slowly becoming saturated with foreign labor. It's like climbing a mountain. You have to make a camp sometimes. Look at the Gulf, where development has gone too fast. A banking crisis (in the UAE in 1976-1977), empty office towers. You don't have that here.

[Question] But hasn't there been a lot of overbuilding, in Jeddah, for example?

[Answer] Who says so? This is merely the upgrading of existing facilities. Better housing at a reasonable price. Unfortunately, prices are still high... But as more people build, the rents will come down. Saudi Arabia cannot defy the law of supply and demand.

[Question] Isn't another problem the proliferation of private Saudi contractors? Shouldn't they unify their efforts?

[Answer] The government has not done enough to pressure the work to go for local contractors. The government is very wise in development and finance. But they should slice it up now for the locals--they are only just beginning to do this.

The government should force a foreign contractor to subcontract 60 or 70 percent of the work to local firms. This has two advantages.

First, the local companies are here to stay. The price may be a little higher but the benefit is a lasting one because his equipment and experience stays here. Look at the Koreans. They worked for the U.S. Army all through the Vietnam War, under U.S. Army standards of construction and they learned the business. Now they're the greatest traders in construction here.

Second, subcontracting will lead to more stringent contract controls because the main contractor will be watching like a hawk.

The local contractors can do the job. Look at Yanbu. There are three pre-cast concrete factories there, all run by local contractors, and I would pitch the housing up there against anything done here by anyone. Why couldn't the Ministry of Housing and Public Works farm its projects out to local firms? In Jeddah, there are 18 towers (for the Rush Housing Program) going up. Why not 18 Saudi companies?

...I'm sorry to say that Ministry of Housing and Public Works is not doing as much as the Ministry of Industry in Saudization. The Ministry of Industry must be given a medal. They don't let you get away with exorbitant prices, but they get the support for Saudi industries.

The program to encourage local industries is working.

[Question] But what is the marketplace like now? Have the big firms taken all the bigger projects?

[Answer] There is still plenty of room. We haven't scratched the surface yet. This country is still virgin as far as development is

concerned. In agriculture--what have we done? Nothing. We are looking at this now.

We are thinking of the development of a very large agricultural project near Mecca. We can use the treated sewage water from the Mecca plant to irrigate it and then our cold storage warehouse in Mecca for storage and as a distribution center.

CSO: 4820

SULTANATE OF OMAN

BRIEFS

ANTIPERSONNEL MINES--A report from the eastern zone in the Dhofar Region says that colonialist and reactionary enemy forces have been planting antipersonnel mines on public highways in rural areas with the aim of killing and terrorizing innocent citizens. On 6 July three children detonated an antipersonnel mine on one of the roads near the enemy outpost of (Idin), near (Halut) in the Central Zone, resulting in the death of two of the sons of citizen Ahmad Sa'id 'Abdallah (Shatran), namely Sa'id Ahmad, aged 12, and Mas'ud Ahmad, aged 10. Another boy, Bin Hasan (Ighrayt) was critically wounded. [Text] [Aden VOICE OF PFLO in Arabic 1545 GMT 23 Jul 79 LD/EA]

CSO: 4802

DAMASCUS DAILY COMMENTS ON U.S. ATTITUDE TO ENERGY CRISIS

Damascus Domestic Service in Arabic 0430 GMT 21 Jul 79 JN

[From the press review]

[Text] Under the headline "The U.S. (?Question) and Avoidance of the Issues," the newspaper TISHRIN writes in its editorial today: We do not need much analytical effort to determine the background and motives of the artificial energy crisis and the manipulation of this crisis—its causes and effects—in waging a rancorous anti-Arab campaign, depicting the Arabs as responsible for the misery of the Western citizen in general and the U.S. citizen in particular, as well as for this citizen's anxiety about his life and civilization. At the same time, this is completely incomprehensible to us, for it is illogical and unrealistic to lay the responsibility on the Arabs.

TISHRIN adds: There is neither an energy crisis nor a crisis in oil prices. The problem lies specifically with the imperialist West and its cancerous monopolies, which are afflicted with the craze for profit and for exploitation of their own peoples. The problem also lies with the U.S. Government's inability to define its political options.

It is neither logical, moral nor legal to hold the Arab citizen responsible for the monopolies' greed in their world exploitation or for the U.S. Government's failure to control these monopolies and to limit their profits or to channel them so that they serve the U.S. citizen's interests.

TISHRIN asks: Why then this anti-Arab war? The U.S. Government is now trying to avoid the issues of its treatment of the real crisis. Let us assume for the sake of argument that the Arab nation will use the oil weapon to achieve its national interests. Is there any international, regional or national law or any ethical or social custom that bars it from exercising this right? If there is such a law, why should it be applied to the Arabs but not to everyone else?

TISHRIN adds: It is the legal and natural right of all nations to use their national resources to achieve their political rights. Such a right has been repeatedly exercised by the United States. The United States will continue to exercise this right whenever it deems that this will achieve its political goals.

All of this is truly an avoidance of the issues that embodies the imperialist logic in its treatment of peoples and their rights. If there is a crisis it is surely Israel and not the Arabs who is responsible for it. If there is a crisis it is the crisis of a political decision that Carter--and perhaps all other U.S. Presidents--are unable to make.

TISHRIN continues: In any case, circumventing the problem would not solve it, but in fact, might further complicate it. President Carter's problem is to renew his term or office. The necessary condition for a second term of office is to make further concessions to Israel. This means a further avoidance of the issues and a further circumvention of the problem. This is the central problem in the crisis.

Rather than face the problem objectively and carry out his role, which as he declared both publicly and officially when he was elected, is to achieve a just peace in the area--a role which he is qualified to play as the leader of a great power that has an effective role and a great responsibility in bringing about world peace--President Carter is now trying to turn the problem upside down. This means that the Arabs will be held responsible for the political and oil crisis.

TISHRIN concludes: Thus the Arabs are made to appear responsible for the failure to achieve a just peace, and for threatening American civilization and the U.S. citizen's prosperity, whereas the objective truth is in complete opposition to this lopsided view of the issue. It is strange that there should be U.S insistence on holding the Arabs responsible for this extortion and its results, while the Arabs are themselves the victims of this extortion. The current anti-Arab campaign is proceeding in this direction.

CSO: 4802

SYRIA

BRIEFS

MAJOR CABINET RESHUFFLE EXPECTED--Beirut--Arab diplomatic sources arriving from the Syrian capital have indicated that a major cabinet reshuffle in Syria is likely to take place shortly, in line with the new conditions in the Syrian and Arab arenas. These sources said that the possibility of asking former Prime Minister Maj Gen 'Abd al-Rahman Khulayfawi to form a new cabinet is being considered. They quote informed Syrian officials as saying that Khulayfawi is ready to undertake this mission on certain conditions, which the sources refused to disclose. These sources added that these conditions might prevent the selection of Khulayfawi to form a cabinet because these conditions, or most of them, are unacceptable. The sources indicate that entrusting Khulayfawi with forming a cabinet means that Syria is determined to apply socialism more strongly, to reform domestic issues and to strike at corruption in the country. Major General Khulayfawi is well known for his resoluteness in this regard. [Text] [Amman AL-RA'Y in Arabic 4 Aug 79 pp 1, 15 JN]

CSO: 4802

YEMEN ARAB REPUBLIC

BRIEFS

JAPANESE LOAN--Memos between the YAR and the Japanese Government on a loan from Japan to finance the central power project were signed at the building of the Central Planning Department today. The amount of the loan is 8.2 billion yen, or some \$40 million. Japan will give the loan to the YAR within 5 years beginning from the date of the signing and the YAR will repay the loan within 30 years. The first 10 years will be considered a period of grace. The interest rate on the loan will be 2.75 percent per year. The signing of the final agreement on the loan will take place in September in Tokyo. [San'a' Domestic Service in Arabic 2000 GMT
21 Jul 79 JN]

CSO: 4802

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Aug 23, 1979

